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*Ontario Hydro-Electric Inquiry Commission, 1922-1923*

J. ALLAN ROSS

Commissioner

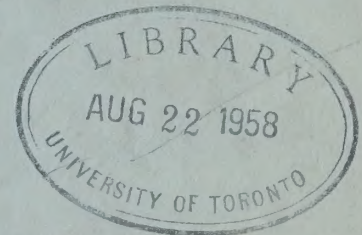
HYDRO-ELECTRIC INQUIRY COMMISSION

( HYDRO-ELECTRIC POWER COMMISSION OF ONTARIO )

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*Reports on investigation of accounts*

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REPORT UPON ACCOUNTS  
OF  
CENTRAL ONTARIO SYSTEM  
FROM  
MARCH 1, 1916 to OCTOBER 31, 1921

*Price, Waterhouse & Co.*

ROYAL BANK BUILDING  
TORONTO, ONT., CANADA





# PRICE, WATERHOUSE & Co.

CANADA, UNITED STATES, MEXICO.  
GREAT BRITAIN.

CONTINENTAL EUROPE, ETC.  
PRICE, WATERHOUSE, PEAT & CO.  
SOUTH AMERICA  
PRICE, WATERHOUSE, FALLER & CO.  
ALSO, GREAT BRITAIN  
W. B. PEAT & CO.

ROYAL BANK BUILDING

TORONTO

October 26th 1922.

W. D. Gregory, Esq., Chairman,  
Hydro-Electric Inquiry Commission,  
Toronto, Ont.

Dear Sir:

## CENTRAL ONTARIO SYSTEM:

In accordance with your instructions we have made a general examination of the books and records of the Central Ontario System owned by the Province of Ontario and operated by the Hydro-Electric Power Commission of Ontario as Trustee for the Province. We now beg to report as follows:

## SCOPE OF EXAMINATION

The accounts of the Central Ontario System have been audited by Messrs. Clarkson, Gordon and Dilworth from March 1, 1916 (the date the Province acquired these properties) to October 31, 1921, so it was considered that our examination should be limited to a general review of the accounts and an inquiry into any important questions of principle involved therein.

From the books and records kept in respect of the assets and liabilities of the Central Ontario System, we have prepared and attach hereto the following Exhibits:

|                 |                                                                                                    |
|-----------------|----------------------------------------------------------------------------------------------------|
| Exhibit I       | Balance Sheet                                                                                      |
| Exhibit II      | Statement of changes in Capital Assets from March 1, 1916 to October 31, 1921                      |
| Exhibit III     | Statement of Accounts due from or to Municipalities receiving power at cost as at October 31, 1921 |
| Exhibit IV      | Statement of monies advanced by the Province of Ontario from March 1, 1916, to October 31, 1921    |
| Exhibits V - VI | Renewal Reserve                                                                                    |



October 28th 1922.

W. H. Gregory, Esq., Chairman,  
Hydro-Electric Inquiry Commission,  
Toronto, Ont.

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liabilities of the Central Ontario System, we have prepared and attach

hereto the following Exhibits:

Balance Sheet  
Statement of changes in Capital  
Assets from March 1, 1916 to  
October 31, 1921

Exhibit I  
Exhibit II

Statement of Accounts due from or  
to municipalities receiving power  
at cost as at October 31, 1921

Exhibit III

<https://archive.org/details/31761120639802>

1916, to October 31, 1921

Exhibits V - VI  
Renewal Reserve



Exhibits VII to XXII

Exhibits XXIII to XXIX

Exhibit XXX

Operating and Deficit Accounts

Excerpts from Contracts

Summary of Franchises controlling  
the operation of Local Electric  
Systems.

### HISTORY AND ORGANIZATION

Under authority conferred by the Central Ontario Power Act of 1916, assented to by the Lieutenant-Governor on April 27, 1916, the Central Ontario System was acquired by the Province of Ontario from the Electric Power Company, Limited, under an agreement dated March 10, 1916, for \$8,350,000. Excerpts taken from the agreement attached hereto as Exhibit XXIII, set forth the terms of the purchase and a list of the twenty-two separate companies constituting the Electric Power Company, Limited, at March 1, 1916.

In accordance with Section 7 of the above Act, and Section 6 of the agreement, the management of the acquired properties was vested in the staff of the Electric Power Company, Limited, which arrangement continued during the months of March, April and May, 1916. On May 5, 1916, the following Order-in-Council was passed placing the management of the Central Ontario System with the Hydro-Electric Power Commission of Ontario viz:

"Upon the recommendation of the Honourable the Minister of Lands, Forests and Mines, the Committee of Council advise that under the authority of and pursuant to the Central Ontario Power Act, Chapter 18, 6 George V until further or other order, amending or varying this order, the control, administration and management of all undertakings, properties, rights, contracts, privileges, franchises and businesses vested in the Crown under and by virtue of the said Act to be granted to and vested in the Hydro-Electric Power Commission of Ontario.

// The Committee further advise that the said businesses may be continued and carried on by the said Commission in their own name, or in the name of His Majesty, or in the name of any or all of the Companies whose businesses have been acquired by the Crown under the provisions of the Act.

// And the Committee further advise that the Hydro-Electric Power Commission of Ontario for the purposes of the management, control and administration of any and all of the said businesses, be granted all the rights, powers and privileges of control, administration and management thereof, which the Company, whose undertakings, property, rights, contracts, licenses, privileges, franchises and businesses is or are vested in the Crown had at the time of such vesting.







"And the Committee further advise that in the conduct of the administration and management of the property by this order committed to their management, the Commission do carry on the same as a separate department or branch of the business of the said Commission.

"And the Committee further advise that the Comptroller of the Commission, and the Auditor or Auditors, appointed under the provisions of Chapter 19, 6 George V shall in respect of the accounts and cheques of the Commission kept or issued in reference to the property by this order dealt with, have and perform the same duties and obligations as are imposed upon them or by either of them under the said Act, in reference to the other accounts and cheques of said Commission."

Pursuant to the foregoing, the management of the properties was taken over by the Hydro-Electric Power Commission on June 1, 1916, and has remained with the Commission continuously since that date.

The Central Ontario System comprises two main sections, one of which is known as the Central Ontario Section, and the other as the Nipissing Section. The Central Ontario Section embraces the operation of -

Undertakings for supplying electrical energy to certain municipalities, private Companies and others

Gas Works

Water Works

Peterborough Radial Railway

Campbellford Pulp Mill and the Bruton Township pulpwood areas

UNDERTAKINGS FOR SUPPLYING ELECTRICAL ENERGY TO  
CERTAIN MUNICIPALITIES, PRIVATE COMPANIES AND OTHERS:

Municipalities and private companies receiving power from the Central Ontario Section, and the bases of supplying such power are as follows:

Local Electric Systems are operated by the Commission acting as Trustee for the Province in the Municipalities of Belleville, Bowmanville, Newcastle, Orono, Brighton, Cobourg, Lindsay, Millbrook, Napanee, Deseronto, Tweed, Trenton, Oshawa, Port Hope, Newburgh, in which the Commission retails power to the customers at fixed rates governed as to their maximum by franchises granted to the subsidiary companies of the Electric Power Company, Limited, prior to March 1, 1916. It will be noted by reference to Exhibit XXX attached hereto showing the dates the franchises were granted, the dates they expire and the dates on which the respective municipalities have options to purchase their Local Electric Systems, that a number of the franchises have expired and no subsequent agreements have been made.







In 1913 the Commission entered into a contract with the City of Peterborough to furnish it power at cost and accordingly purchased the power required from a subsidiary of the Electric Power Company, Limited, to March 1, 1916, from which date, power has been supplied by the Commission through the Central Ontario System at approximate cost, to November 1, 1918, and at actual cost since that date. In 1919, 1920 and 1921 the Commission began supplying power to the Municipalities of Bloomfield, Wellington, Picton, Lakefield, Marmora, Norwood and Havelock at cost on a basis similar to that outlined in Section 23 of the Power Commission Act of 1914. Although the contracts with each of the above Municipalities stipulate that sinking fund on a thirty year basis shall be paid as a part of the cost of power by each of the Municipalities, no charge has been made therefor up to the present time. This matter is discussed more fully hereinafter under "Sinking Funds".

Electrical energy is furnished to the Municipalities of Kingston, Omemee, and to the Seymour Township at fixed rates in accordance with contracts made with the Commission. The Municipalities of Madoc and Stirling receive electrical energy from the Commission at fixed rates in accordance with their contracts made with a subsidiary of the Electric Power Company, Limited, prior to March 1, 1916.

Private Companies are receiving electrical energy from the Commission at fixed rates under contracts made with the Commission since March 1, 1916, and with subsidiary companies of the Electric Power Company, Limited, prior to March 1, 1916.

The Townships of Whitby, East Whitby and Pickering are receiving power at cost under the operation of the Oshawa Rural district lines constructed and operated by the Commission in accordance with the Power Commission Act of 1914.

#### GAS WORKS:

Gas Works are operated by the Commission acting as Trustee for the Province in the Municipalities of Cobourg, Oshawa, Peterborough and Napanee, where gas is supplied to the consumers at rates determined from year to year. The Napanee Gas Works was closed August 31, 1921.

#### WATER WORKS:

Waterworks are operated in the Municipality of Cobourg where water is now supplied to the various consumers at rates agreed upon between the Commission and the Municipal Council of Cobourg. Prior to October 1, 1919, the rates charged were in accordance with the terms of the Franchise then in effect.







PETERBOROUGH RADIAL RAILWAY:

The Street Railway in the City of Peterborough is operated by the Commission under a franchise granted to a subsidiary company of the Electric Power Company, Limited, prior to March 1, 1916.

CAMPBELLFORD PULP MILL AND THE BRUTON TOWNSHIP  
PULPWOOD AREAS:

The Campbellford Pulp Mill was included among the assets acquired by the Province from the Electric Power Company, Limited, and has been operated by the Commission along with the other properties of the Central Ontario System. In 1917, the Province purchased the Bruton Township pulp wood areas for the purpose of having available an adequate supply of pulp wood for the pulp mill and these pulp wood areas have since been operated by the Commission in connection with the pulp mill.

NIPISSING SECTION

The Nipissing Section of the Central Ontario System includes undertakings for the generation, transmission and distribution of electrical energy to consumers in the municipalities of North Bay, Callander and Powassan, and in the hamlet of Nipissing. Electrical energy is retailed to the consumers through the Local Electric Distributing Systems at fixed rates governed as to their maximum, in the case of North Bay, by a franchise granted to a subsidiary company of the Electric Power Company, Limited, prior to March 1, 1916. The rates charged for power in Powassan, Callander and Nipissing are as agreed upon between the Commission and the customers.

GROWTH OF SYSTEM:

The growth of the Power Departments of the System will be seen by a comparison of the yearly peak loads shown by the engineering records as follows:-

In addition to the above, a hydraulic generating station







Yearly System Peaks

| <u>Year</u> | <u>Central Ontario Section</u> | <u>Nipissing Section</u> |
|-------------|--------------------------------|--------------------------|
| 1916        | 18,570 h.p.                    | 1,153 h.p.               |
| 1917        | 24,400                         | 1,166                    |
| 1918        | 26,100                         | 1,260                    |
| 1919        | 24,300                         | 1,380                    |
| 1920        | 27,700                         | 1,555                    |
| 1921        | 28,500                         | 1,696                    |

The following municipalities have been taken on the System since March 1, 1916:-

| <u>Year</u> | <u>Central Ontario Section</u>          |
|-------------|-----------------------------------------|
| 1916        | None                                    |
| 1917        | None                                    |
| 1918        | Kingston, Omemee, Oshawa Rural District |
| 1919        | Bloomfield, Wellington, Picton          |
| 1920        | Lakefield, Marmora                      |
| 1921        | Norwood, Havelock                       |

No new municipalities have been taken on the Nipissing Section during the period now under review.

DESCRIPTION OF PROPERTIES

The Central Ontario System comprised the following properties at October 31, 1921, which may be briefly described as follows:

CENTRAL ONTARIO SECTION

POWER DEVELOPMENT PROPERTIES:

On October 31, 1921, there were six hydraulic generating stations in operation with an aggregate capacity of approximately 33050 h.p., as follows:

| <u>Dam Number</u> | <u>Location</u> | <u>Approximate Horse Power Capacity</u> |
|-------------------|-----------------|-----------------------------------------|
| 2                 | Trenton         | 5710                                    |
| 5                 | Frankford       | 3800                                    |
| 11                | Campbellford    | 4200                                    |
| 14                | Healey Falls    | 15800                                   |
| 18                | Peterborough    | 2600                                    |
| 30                | Fenelon Falls   | 940                                     |
|                   | <u>Total</u>    | <u>33,050</u>                           |

In addition to the above, a hydraulic generating station







consisting of two units and designed for a Summer capacity of approximately 10,600 horse power, and a Winter capacity of 12,000 horse power was under construction at Ranney Falls at October 31, 1921, and during the months of August and September, 1922, these units were put in operation. The System also includes certain other generating stations at Trenton, Otonabee, Port Hope and Tweed, which have been dismantled and certain lands along the Trent River located at dams 3, 4, 8 and 9, and at Burleigh Falls and Buckhorn.

#### TRANSFORMER STATIONS:

Transformer Stations on the Section comprise 26 high tension stations and a number of low tension stations required in furnishing power to low voltage customers.

#### TRANSMISSION LINES:

A report dated October 31, 1921, prepared by the Engineers of the Hydro-Electric Power Commission, states that the Section has 484.57 miles of transmission lines consisting of the following:-

|                   |              |
|-------------------|--------------|
| 44,000 volt lines | 388.18 miles |
| 11,000 " "        | 13.00 "      |
| 6,600 " "         | 35.53 "      |
| 4,160 " "         | 32.79 "      |
| 4,000 " "         | 6.62 "       |
| 2,400 " "         | 8.45 "       |

|              |                 |
|--------------|-----------------|
| <u>Total</u> | <u>484.57 "</u> |
|--------------|-----------------|

#### LOCAL ELECTRIC SYSTEMS:

The Local Electric Systems, operated in fifteen municipalities, as previously enumerated herein, consist of transformers, distributing lines, metering equipment and all other equipment in the municipality necessary for the delivery of power to the consumers.

#### GAS WORKS:

There are four gas plants located in the municipalities of Oshawa, Peterborough, Cobourg and Napanee. The gas plant in each municipality consists of a generating plant, distributing mains and







metering equipment.

PETERBOROUGH RADIAL RAILWAY:

The electric railway property in the City of Peterborough includes 8.60 miles of track and 22 electric cars.

COBOURG WATER WORKS:

Cobourg Water Works consists of an electric pumping station with a gasoline and steam plant stand-by on the lake front, with distributing mains and metering equipment required in furnishing water to the consumers in the municipality of Cobourg. The water is pumped out of Lake Ontario through pressure filters into the distributing mains.

CAMPBELLFORD PULP MILL:

This property consists of a pulp mill located at Campbellford, a barking mill at Bancroft, and approximately 40,000 acres of pulp wood and timber lands in Bruton Township of which about 5,000 acres are waste and water lands.

NIPISSING SECTION:

The properties of this Section consist of a hydraulic generating station at Nipissing, of a capacity of approximately 1900 horse power, and a steam plant generating station with a capacity of approximately 625 horse power, which is not operated at present. The Nipissing Section includes approximately 25 miles of 22,000 volt lines and has three transformer stations located at North Bay, Powassan and Callander. There is also an abandoned power house at Powassan.

The Local Electric Distributing Systems in the municipalities of North Bay, Powassan, Callander and the hamlet of Nipissing, comprise transformers, distributing lines and metering equipment. Certain water rights in connection with the Nipissing Section are held at Cox Chute and Bingham Chute, and the Commission has secured an appropriation from the Provincial Government for the construction of another power plant at







Disposition of Funds:

Net Increase in Capital Assets:

Bingham Chute. the Bruton Township pulpwood areas purchased for \$300,000.00

Increase in Working Capital, etc.:

Cash in Bank

Investments

Accounts Receivable

Advances

CHANGES IN FINANCIAL POSITION

As is set forth in Section 2 of the Agreement dated March 10, 1916, attached hereto as Exhibit XXIII, covering the purchase of the Central Ontario System, the purchase price of \$8,350,000 was discharged in full by the issuance of 10 year 4% Debentures of the Province of Ontario dated March 1, 1916. From March 1, 1916 to October 31, 1921, the Province made net cash advances for the purposes of the System aggregating \$2,698,712.78, and issued \$225,000.00 Debentures as part payment for the Bruton Township pulpwood areas acquired as of July 1, 1917. The following statement shows the disposition of the cash advances and the changes in the financial position of the System during the period from March 1, 1916 to October 31, 1921:-

Funds realized and made available through-

Cash advances by the Province of Ontario \$4,418,185.00

Less -Cash used for other Systems repaid to the Government on October 31, 1921 1,719,472.22

Net cash advances \$2,698,712.78

Five per cent Debentures issued by the Province in connection with the purchase of the Bruton Township pulpwood areas 225,000.00

Increase in Reserves-

For Renewals \$1,044,426.52

For Sinking Fund 28,665.54

For Contingencies 7,952.61 1,081,044.67

Total \$4,004,757.45







Disposition of Funds:

Net Increase in Capital Assets:

(Including the Bruton Township pulpwood areas purchased for \$300,000.00)

\$3,394,602.47

Increase in Working Capital, etc.:

|                                       |             |
|---------------------------------------|-------------|
| Cash in Bank                          | \$ 4,780.95 |
| Investments                           | 32,502.71   |
| Accounts Receivable                   | 195,817.51  |
| Advances on Pulpwood Contracts        | 3,521.15    |
| Materials and Supplies                | 259,697.00  |
| Deferred Charges to future operations | 48,846.12   |

Together

\$ 545,165.44

Less- Increase in current and accrued liabilities

103,940.61

441,224.83

Loss from Operations

168,930.15

Total

\$4,004,757.45

Having briefly outlined the history, organization and description of the properties we will now turn to matters relating to the accounts, which will be discussed under two main headings in the order of their relative importance, namely, Results of Operations, and Balance Sheet.

RESULTS OF OPERATIONS

The operations of the Central Ontario System from March 1, 1916 to October 31, 1921, resulted in a loss of \$168,930.15 after providing for renewals and setting aside sinking fund for the Bruton Township pulpwood areas and the Bancroft Mill. It is quite important to note that only three of the departments of the system have produced profits from operations in the period from March 1, 1916 to October 31, 1921. The Trenton Water Works was sold on January 1, 1919 so that of the remaining properties only two have so far proved profitable, namely, the Local Electric Systems (if considered separately from the Power Department as a whole) and the Campbellford Pulp Mill. The fact that the pulp mill showed a net profit for the period was largely due to the abnormal prices received for wood pulp sold in the year 1920.

The net profits derived from operation of the Local Electric Systems are attributable to the rates charged consumers in accordance with franchise provisions. Under the terms of these franchises certain







of the municipalities served by the Local Electric Systems have the option of acquiring the properties as is shown on Exhibit XXX attached hereto. Should these options be exercised the effect on the net profit showing of the Central Ontario System as a whole would be material, unless the wholesale rates charged municipalities for power are increased by the Commission.

The profit or loss of the various departments going to make up the total loss of the System, is shown in detail on Exhibit VII and may be summarized as follows:

| Department                          | Profit or Loss<br>Per Operating<br>Accounts | Adjustments<br>(Net) | Profit or Loss<br>As Adjusted |
|-------------------------------------|---------------------------------------------|----------------------|-------------------------------|
| Power Department                    | \$ 349,237.58                               | \$74,888.67          | \$424,126.25                  |
| Local Electric Systems              | 365,583.62                                  | -                    | 365,583.62                    |
| Gas Works                           | 104,674.01                                  | -                    | 104,674.01                    |
| Cobourg Water Works                 | 27,783.69                                   | -                    | 27,783.69                     |
| Trenton Water Works                 | 3,816.57                                    | -                    | 3,816.57                      |
| Peterboro Radial Railway            | 85,490.66                                   | -                    | 85,490.66                     |
| Campbellford Pulp Mill              | 141,666.04                                  | -                    | 141,666.04                    |
| Oshawa Rural Lines                  | 5,537.43                                    | 5,537.43             | -                             |
| Nipissing Power Department          | 33,772.11                                   | -                    | 33,772.11                     |
| Nipissing Local Electric<br>Systems | 1,879.02                                    | -                    | 1,879.02                      |
| Loss on sale Trenton Water<br>Works | -                                           | -                    | 2,270.64                      |
|                                     | \$ 97,308.27                                | 69,351.24            | 168,930.15                    |

The adjustment of the loss of the Power Department in the amount of \$74,888.67, as above, represents additional water rentals of \$119,350.46 paid to the Department of Railways and Canals for Water Power along the Trent River, less an adjustment of power charges of \$44,461.79 to certain municipalities in 1919 and 1920, for the excess of the cost of power supplied to them over the amounts paid by them. The loss of \$5,537.43 on the Oshawa Rural Lines represents the loss from operation for the years 1918 and 1920 charged back to the Townships; the losses for 1919 and 1921 having been charged to them in the years in which incurred. As a result of this adjustment the treatment in the accounts is now on a uniform basis throughout the entire period.







Operating accounts for each of the above departments are attached hereto, showing the details of revenue, operating expenses and fixed charges for each year's operation. Exhibit VII is a summary of the profit or loss as shown by the operating account of each department, with subsequent adjustments allocated to the years to which they apply.

In considering the profit or loss of each department it must be borne in mind that the actual cost of power supplied by the power department to each of the other departments, to companies and to other consumers was not determined until the year beginning November 1, 1918, and no adjustment of power charges was made in the accounts of the Commission until the year ending October 31, 1921, except in the case of certain municipalities which were receiving power on a basis similar to that outlined in Section 23 of the Power Commission Act of 1914, which municipalities were charged at actual cost for power from November 1, 1918.

The effect upon the profit or loss of each of the other departments of charging actual cost for power for the years 1919 and 1920, may be illustrated as follows:

| Department                         | Profit or Loss before giving effect to charges for actual cost of power for 1919 and 1920 | Inter-Departmental Power Adjustments for the years 1919 and 1920 | Profit or Loss as Adjusted |
|------------------------------------|-------------------------------------------------------------------------------------------|------------------------------------------------------------------|----------------------------|
| Power Department                   | \$424,126.25                                                                              | \$ 68,402.86                                                     | \$355,723.39               |
| Local Electric Systems             | 365,583.62                                                                                | 28,973.45                                                        | 336,610.17                 |
| Gas Works                          | 104,674.01                                                                                | -                                                                | 104,674.01                 |
| Cobourg Waterworks                 | 27,783.69                                                                                 | -                                                                | 27,783.69                  |
| Trenton Waterworks                 | 3,816.57                                                                                  | -                                                                | 3,816.57                   |
| Peterborough Radial Railway        | 85,490.66                                                                                 | 10,741.66                                                        | 96,232.32                  |
| Campbellford Pulp Mill             | 141,666.04                                                                                | 28,687.75                                                        | 112,978.29                 |
| Nipissing Power Department         | 33,772.11                                                                                 | -                                                                | 33,772.11                  |
| Nipissing Local Electric Systems   | 1,879.02                                                                                  | -                                                                | 1,879.02                   |
| Loss on sale of Trenton Waterworks | 2,270.64                                                                                  | -                                                                | 2,270.64                   |
|                                    | \$168,930.15                                                                              | -                                                                | \$168,930.15               |







A similar adjustment would doubtless result if the actual cost of power was determined for the period from March 1, 1916 to October 31, 1918, and the results of operation as shown above for the various departments are, therefore, subject to correction to the extent that the amounts charged for power may have been either more or less than the actual cost thereof.

We have been informed by a representative of the Commission that the actual cost of power was not obtainable prior to November 1, 1918, for the following reasons:

1. Lack of operating knowledge required to determine a fair method of apportioning operating costs.
2. The loop line from Healey Falls, connecting all generating stations, was not completed.

We will now discuss the operations of each department under its respective heading.

#### POWER DEPARTMENT:

Attention is directed to the fact that the Local Electric Systems which are essentially a part of the power department have been treated as a separate department for accounting purposes.

The power department shows a loss from operation for the period from March 1, 1916, to October 31, 1921, of \$424,126.25, after giving effect to certain adjustments in respect of water rentals and additional charges to municipalities receiving power at cost. This loss, however, cannot be considered as definitely applicable to the power department, as power was supplied to other departments of the Central Ontario System up to November 1, 1920, at rates which did not represent the actual cost of such power.

Exhibit Vlll shows the revenue, operating expenses, fixed charges, etc. of the power department. It will be noted by reference to this Exhibit that the revenue has steadily increased, except in the year 1919, when a decrease took place owing to the decreased demand of certain companies







manufacturing war munitions and supplies. The increase in 1920 of approximately 40% over 1919 is due in part to increased rates charged the Local Electric Systems and partly to the increased quantity of power sold.

Details relative to the sources of revenue and the profit or loss incurred in supplying power for each of the three years ending October 31, 1919, 1920 and 1921, are set forth on Exhibit XLX. It will be seen by reference to this Exhibit that 1921 was the first year in which power was supplied to the other departments of the Central Ontario System at cost. While the amounts of \$27,003.93 and \$16,377.68 are shown on this Exhibit as the losses incurred in supplying power to certain municipalities at cost for the years 1919 and 1920 respectively, these losses have since been charged back to the municipalities involved. It will also be noted by reference to this Exhibit that a loss of \$169,957.19 has been sustained in respect of supplying power at fixed rates to private companies and to certain municipalities as follows:

| <u>Year</u>  | <u>Amount of Loss</u> |
|--------------|-----------------------|
| 1919         | \$ 60,722.66          |
| 1920         | 46,458.91             |
| 1921         | <u>62,775.62</u>      |
| <u>Total</u> | <u>\$169,957.19</u>   |

The rates charged the more important private companies and municipalities for power supplied during the year ending October 31, 1921, will be found on Exhibit XX together with the dates the contracts covering such rates were made and the dates the contracts expire.







Certain municipalities have received power at cost on a basis similar to that outlined under Section 23 of the Power Commission Act of 1914, with the exception that no provision for sinking fund is included in the costs. The municipalities and the adjusted rates charged for each year are as follows:

| Municipality | Rate per Horse Power    |       |       |
|--------------|-------------------------|-------|-------|
|              | Year ending October 31. |       |       |
|              | 1919                    | 1920  | 1921  |
| Bloomfield   | \$ 68.63                | 74.84 | 72.64 |
| Havelock     | -                       | -     | 40.10 |
| Lakefield    | -                       | 42.33 | 44.29 |
| Marmora      | -                       | -     | 22.06 |
| Norwood      | -                       | -     | 27.02 |
| Peterborough | 23.43                   | 22.48 | 21.49 |
| Pictou       | 87.41                   | 52.15 | 51.70 |
| Wellington   | 75.80                   | 52.28 | 48.99 |
| Whitby       | 30.99                   | 28.37 | 27.20 |

Power is purchased when required to meet the demands of the System, under the following terms:

On July 9, 1921, the Commission entered into a contract with the Town of Campbellford to purchase 1200 K.W. of electric power, at 50 cents per K.W. per month, plus 1/10 of a cent per K.W. Hr., as a consumption charge, with the understanding that if the 1200 K.W. were not taken, to pay as a minimum \$450.00 per month. The Commission also purchased power from the Peterborough Hydraulic Power Company at 375/1000 cents per K.W.Hr.

#### LOCAL ELECTRIC SYSTEMS:

Local Electric Systems are operated in fifteen municipalities in which the Commission retails electric energy, or power, direct to the consumers at fixed rates. A list of these municipalities is shown on Exhibit XXI together with the resulting profit or loss from operation in each municipality, during the period from March 1, 1916 to October 31, 1921. All power required for the Local Electric Systems is furnished by the Power Department. During 1921, power was supplied at actual cost, while in prior years approximate cost was used, with the result that operations of the Local Electric Systems for 1919 were charged on interim







billing with \$61,288.99 less than the actual cost of power taken and in 1920 \$32,315.54 more than the actual cost of power taken.

The difference between the cost of power and the amount charged is not obtainable for the years prior to 1919. The profit as shown of \$365,583.62 from the operation of the Local Electric Systems is therefore subject to adjustment to the extent of the variance in the amount charged for power taken over or under the actual cost of such power for the period from March 1, 1916 to October 31, 1920. This adjustment of power costs is, of course, not required to be made under the Central Ontario Power Act.

Details relative to revenue, operating expenses and fixed charges are shown on Exhibit LX for each year's operations during the period from March 1, 1916 to October 31, 1921. The revenue in the municipalities served under the local systems is, as mentioned, heretofore based upon rates governed as to their maximum by franchises granted by the municipalities to the subsidiary companies of the Electric Power Company, Limited. On January 1, 1917, rates were put into effect, embodying the standard features of Hydro retail rates of other Systems. These rates were adjusted to meet existing franchise restrictions, and with very few exceptions they have remained unchanged to date.

As in the case of the Power Department proper, the revenue of the Local Electric Systems declined during 1919, due to the decreased demand for electrical energy by private companies manufacturing war munitions and supplies. The increases in 1920 and 1921 are attributable to increased volume of business and not to increased rates.

The increase in the operating costs for 1920 is due, for the most part, to increased rates paid to the Power Department for power taken. As has been mentioned heretofore, the interim rates used in this year resulted in a charge in excess of the cost of such power in the amount of \$32,315.54.







GAS WORKS:

The gas works have been operated independently of the other departments of the Central Ontario System, and a loss of \$104,674.01 for the period was sustained in this department as follows:

| <u>Fiscal Period</u>                      | <u>Amount of Loss</u> |
|-------------------------------------------|-----------------------|
| From March 1, 1916 to<br>October 31, 1917 | \$ 31,730.67          |
| Year ending October 31, 1918              | 26,847.27             |
| " " " 31, 1919                            | 23,879.41             |
| " " " 31, 1920                            | 13,562.15             |
| " " " 31, 1921                            | 8,654.51              |
| <u>Total</u>                              | <u>\$ 104,674.01</u>  |

The most encouraging feature of the results of operation of the gas works is that the losses are being gradually reduced from year to year and it is therefore not unreasonable to anticipate that this part of the system may shortly be brought into, and maintained upon, a paying basis.

The profits or losses sustained from the operation of the gas plants in each of the municipalities are shown on Exhibit XXI, while details relative to revenue, operating expenses, fixed charges, etc. are shown on Exhibit X. The increase in revenue is due to the increased rates charged for gas supplied, and also to increased consumption as will be seen by reference to Exhibit XXI. The increases during 1919, 1920 and 1921 in total operating expenses are due partly to the increased scale of wages granted the employees in 1919 and 1920, and also to the increased cost of fuel in these years.

We have been informed by the Engineer in Charge of the Operations of the Central Ontario System that when the gas works were taken over by the Commission, the plants were found to be in a most inefficient operating condition, and since that time the Commission has endeavoured to modernize and bring them up to an efficient operating state. The gas plant at Napanee was closed on August 31, 1921, as we are informed that further operations could not be carried on successfully without







making a considerable expenditure for repairs and new equipment, which was considered inadvisable by the Commission.

COBOURG WATER WORKS:

During the period from March 1, 1916, to October 31, 1921, the operation of the Cobourg Water Works resulted in a loss of \$27,783.69. This loss is entirely attributable to a franchise dated October 5, 1908, and running for a period of ten years from October 1, 1909, limiting the rates chargeable for water supplied. It will be noted by reference to Exhibit XI showing the revenue, operating expenses and fixed charges for each of the years operations since March 1, 1916, that the revenue increased approximately 50 per cent in 1920 over 1919. This increase was due, for the most part, to the expiration of the above mentioned franchise and the inauguration of a new schedule of rates intended by the Commission to produce sufficient revenue to off-set the cost of operation.

THE PETERBOROUGH RADIAL RAILWAY:

A loss of \$85,490.66 has resulted from the operation of the Peterborough Radial Railway in the period. Since October 31, 1917 the loss from operations has increased annually as will be seen by the following statement, viz:

| <u>Fiscal Period</u>                      | <u>Profit or Loss</u> |
|-------------------------------------------|-----------------------|
| From March 1, 1916 to<br>October 31, 1917 | \$ 1,848.84           |
| Year ending October 31, 1918              | 12,323.41             |
| " " " 31, 1919                            | 20,779.07             |
| " " " 31, 1920                            | 21,205.87             |
| " " " 31, 1921                            | 33,031.15             |
| <u>Total Loss</u>                         | <u>\$ 85,490.66</u>   |

The above loss is subject to adjustment in respect of the cost of power for the period from November 1, 1918, to October 31, 1920. The corresponding adjustments for the fiscal years ending October 31, 1919 and 1920 resulted in additional charges against the railway for power of \$5,283.79 and \$5,457.87 respectively, but these adjustments have not







been made in the accounts and are therefore not included in the above figures. Prior to November 1, 1917 power required in the operation of the Peterborough Radial Railway was purchased by the railway direct from the Peterborough Hydraulic Power Company.

The revenue, operating expenses, fixed charges and net profit and loss results are shown on Exhibit XIII. It will be noted by reference to this Exhibit that the revenue increased each year, but the operating expenses increased in relatively greater amounts. The increases in revenue are attributable to advances in the rates of fare throughout the period and also for the years up to 1920 to increases in the number of passengers carried. The monthly average number of passengers carried for each of the last four years is as follows:

|      |         |
|------|---------|
| 1918 | 125,000 |
| 1919 | 140,000 |
| 1920 | 157,000 |
| 1921 | 118,000 |

In 1918, the fares were increased from a ticket fare of six rides for twenty-five cents or a cash fare of five cents, to a straight five cent cash fare and as of December 1, 1920, the municipal council of the City of Peterborough authorized a straight seven cent cash fare which became effective as of that date in lieu of the maximum fare of five cents as stipulated in the franchise of the Peterborough Radial Railway. We are informed, however, that the granting of permission to charge the seven cent fare did not affect the other provisions of the franchise. The principal increases in the operating expenses are due to increases in wages and also in 1921 to an increase in the cost of power. It is our understanding that an application was made by the Commission in 1921 to the Provincial Government of Ontario for the necessary funds to purchase one-man cars for use on the Peterborough Radial Railway but the necessary funds have not yet been advanced. The Commission is quite firmly of the opinion that the operation of one-man cars in Peterborough will result in materially reducing the operating expenses.



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CAMPBELLFORD PULP MILL:

The results of operation of the Campbellford Pulp Mill and the Bruton Township pulpwood areas, for each of the years during the period from March 1, 1916, to October 31, 1921, are as follows:-

| <u>Fiscal Period</u>                      | <u>Profit or Loss</u> |
|-------------------------------------------|-----------------------|
| From March 1, 1916 to<br>October 31, 1917 | \$ 32,753.62          |
| Year ending October 31, 1918              | 14,869.89             |
| " " " 1919                                | 58,888.30             |
| " " " 1920                                | 200,364.45            |
| " " " 1921                                | 17,693.84             |
| <u>Net profit for the period</u>          | <u>\$141,666.04</u>   |

Before arriving at the results of operations as shown above for the fiscal years ending October 31, 1920 and 1921, amounts of \$37,830.00 and \$86,000.00 respectively, were charged against operations to provide for the decline in the value of the inventories on hand at the end of each of the above years.

The profit as shown above is subject to adjustment in respect of the cost of power supplied to the pulp mill from March 1, 1916, to October 31, 1920. The adjustments necessary to bring the charges for power supplied to the pulp mill during the years 1919 and 1920 to an actual cost basis would result in additional charges against the operations of the pulp mill for these years of \$18,192.55 and \$10,495.20, respectively.

We have been informed by the Engineer in Charge of Operations of the Central Ontario System that the pulp mill was purchased by the Electric Power Company, Limited, prior to March 1, 1916 with the idea of utilizing the excess power developed during the high flow periods of the Trent River. The details relating to revenue, operating expenses, fixed charges, etc. are set forth on Exhibit XLV. The changes in the revenue are due to changing market conditions for pulp. During 1918 and 1919 there was very little demand for ground wood pulp while at the same time operating expenses were continually increasing, particularly in respect







of wages, freight and the cost of wood. In 1920 the increase in revenue was due to the increased demand and the abnormally high prices obtainable for pulp. During this year the pulp mill was operated at full capacity, with a resulting profit of \$200,364.45, subject to an adjustment as stated above in respect of the cost of power. The prices of ground wood pulp ranged from \$30.00 to \$40.00 per ton during 1918 and 1919 but in 1920 \$100.00 per ton was obtained as compared with \$25.00 per ton in 1921. At the latter price there was little or no demand for the product so the pulp mill was closed on March 15, 1921 and operations were not resumed until September 11, 1922.

The carrying charges of the Bruton Township Pulpwood areas representing interest on the investment and provision for sinking fund, are included in the operating expenses to the extent of \$2.50 per cord of all wood removed from the Township. The remainder of these charges was carried forward in 1918 and 1919 as deferred items, while in 1920 and 1921 the amounts of fixed charges not taken up in the wood costs have been treated as special deductions in arriving at the net operating results. No specific charge for depletion in respect of stumpage removed from the Bruton Township has been included in the operating cost as the sinking fund provision is considered sufficient to provide therefor.

The practice of charging sinking fund provisions into costs of wood in lieu of, and in amounts equivalent to, depletion which requires to be provided for is not open to question but the current interest charges should be treated as profit and loss deductions and should not be included in cost of wood.

|  |           |          |           |
|--|-----------|----------|-----------|
|  |           |          | 1,337.43  |
|  | 17,048.53 | 3,378.30 | 16,645.83 |
|  | 2,807.91  | 3,637.40 | 1,082.83  |
|  | 3,861.18  | 1,816.23 | 10,775.71 |
|  | 8,640.93  | 3,337.09 | 6,807.96  |
|  | 32,348.75 | 1,872.02 | 35,651.12 |







On February 18, 1920 an option was given to Alexander J. McComber of Port Arthur, Ontario, for the sale, subject to the approval of the Province, of the Campbellford Pulp Mill, Bruton Township Lands, Bancroft Mill and other property used in connection with the pulp wood operations. The purchase consideration named in the option was \$475,000.00 payable \$1,000.00 on February 18, 1920, \$5,000.00 on March 18, 1920, \$225,000.00 on April 18, 1920 and the balance on October 18, 1920.

Subsequently Meigs & Co. claimed to have a verbal option on the property and the Government decided not to sell to either of the parties but to continue the operation or advertise for tenders.

The option given to A.J. McComber had been registered and deposits made by him with the Commission on account of the purchase price. When it was decided to cancel the option a payment of \$10,000. was made to J.J. Carrick representing A.J. McComber to cover interest on the deposits and incidental expenses incurred. A complete release and quit claim was thereupon given.

#### NIPISSING SECTION

The Nipissing Section of the Central Ontario System consists of undertakings for generating and supplying electrical energy to the consumers in the municipalities of North Bay, Powassan and Callander and the hamlet of Nipissing. The operations resulted in a loss of \$35,651.13 during the period from March 1, 1916 to October 31, 1921, viz:

| Fiscal Period                                     | Power Department   | Local Electric Distributing Systems | Total            |
|---------------------------------------------------|--------------------|-------------------------------------|------------------|
| One year and eight months ending October 31, 1917 | \$ -               | -                                   | 1,929.36         |
| Year ending October 31, 1918                      | 17,048.53          | 1,399.90                            | 15,648.63        |
| " " " 31, 1919                                    | 2,607.93           | 3,697.46                            | 1,089.53         |
| " " " 31, 1920                                    | 8,561.16           | 1,618.55                            | 10,179.71        |
| " " " 31, 1921                                    | 8,840.99           | 2,037.09                            | 6,803.90         |
|                                                   | <b>\$31,842.75</b> | <b>1,879.02</b>                     | <b>35,651.13</b> |







The loss for the period ending October 31, 1917 cannot be segregated as between the Power Department and the Local Electric Distributing Systems, as separate accounts were not kept by the Commission during that period.

The revenue, operating expenses and fixed charges are shown on Exhibits XVI, XVII and XVIII and it will be noted by reference to these exhibits that the revenue has increased each year. We have been informed by a representative of the Commission that this increase in revenue is due to increased volume of business and not to any upward revisions in the rates charged for power. The operating expenses have remained fairly constant during the period, except in the case of the steam plant generating station, which is used to meet the demands of the System in excess of the capacity of the hydraulic plant during the low flow periods of the South River. The costs of operating the steam plant in each of the four years were as follows:-

| <u>Year</u> | <u>Steam Plant<br/>Operating Cost</u> |
|-------------|---------------------------------------|
| 1918        | \$ 14,321.62                          |
| 1919        | 8,785.07                              |
| 1920        | 17,995.22                             |
| 1921        | 11,423.03                             |

By comparison of the above figures with the results of operations in each of the corresponding years it will be seen that the cost of operating the steam plant has a direct bearing upon the results of operation.

The power used in North Bay which comprises more than 90% of the total power distributed by the Nipissing System is sold to consumers in accordance with rates fixed by a franchise dated July 15, 1907 and which expires on July 15, 1932. It may be of interest to note that the revenues produced under the terms of this franchise supplemented by the charges for power supplied in a relatively small aggregate quantity to Powassan, Callander and Nipissing have together







amounted to 92.35% of the cost of power for the period from March 1, 1916 to October 31, 1921, exclusive, of course, of any sinking fund provisions, since the latter are not required.

TRENTON WATERWORKS AND THE OSHAWA RURAL LINES:

We also attach hereto operating accounts of the Trenton Waterworks and the Oshawa Rural Lines as Exhibits XI and XV respectively. The Trenton Waterworks property was sold to the Town of Trenton on January 1, 1919 up to which time the profits during the period the plant was operated by the Commission amounted to \$3,816.57. The total cost of operation of the Oshawa Rural Lines has been charged to the townships on these lines.

BALANCE SHEET

We have attached hereto a comparative balance sheet of the Central Ontario System for the five years and eight months ending October 31, 1921 as Exhibit 1, and we will now discuss the various assets and liabilities in the order they appear thereon:

CAPITAL ASSETS - \$11,559,603.94:

As has been mentioned heretofore the Central Ontario System was purchased by the Province of Ontario for \$8,350,000 of which \$184,998.53 represented materials and supplies, leaving \$8,165,001.47 as the cost of the capital assets including tools and equipment. Based upon an appraisal in 1914 by the Engineers of the Hydro-Electric Power Commission of Ontario, the replacement values of the tangible properties including additions to March 1, 1916 were determined to be \$5,487,659.47 the difference of \$2,677,342.00 between the replacement value of the tangible properties and the total amount paid for the capital assets was considered by the Engineers of the Hydro-Electric Power Commission as the value of the intangibles acquired in connection with the purchase of the Central Ontario System. During the period from March 1, 1916 to







October 31, 1921, the intangible values were increased in the amount of \$171,395.15 through the scrapping and sale of certain assets. As a result of this increase in the intangible values and the additions to the properties since March 1, 1916, the capital assets at October 31, 1921 amounting to \$11,559,603.94 comprised estimated tangible replacement values of \$8,710,866.79, and intangible values of \$2,848,737.15.

The tangible and intangible values of the various properties of the Central Ontario System determined as at March 1, 1916 are shown in the following statement, viz:

| Property                                                 | Replacement value as determined by Appraisal | Intangible Values | Total        |
|----------------------------------------------------------|----------------------------------------------|-------------------|--------------|
| Central Ontario Section:                                 |                                              |                   |              |
| Power development and hydraulic rights                   | \$2,146,621.00                               | 1,915,712.00      | 4,062,333.00 |
| Transformer Stations                                     | 632,406.91                                   | 141,426.00        | 773,832.91   |
| Transmission Lines                                       | 804,080.00                                   | 175,962.00        | 980,042.00   |
| Local Utilities, Electric, Gas, Water and Street Railway | 1,391,662.00                                 | 325,607.00        | 1,717,269.00 |
| Nipissing Section:                                       |                                              |                   |              |
| Power Development and Steam Plant                        | 229,011.00                                   | 62,151.00         | 291,162.00   |
| Transformer Stations                                     | 25,072.00                                    | 5,842.00          | 30,914.00    |
| Transmission Lines                                       | 35,136.00                                    | 8,186.00          | 43,322.00    |
| Local Utilities, -Electric (Rural Lines)                 | 118,937.00                                   | 22,492.00         | 141,429.00   |
| Pulp Mill                                                | 91,223.00                                    | 19,964.00         | 111,187.00   |
| Tools and Equipment                                      | 13,510.56                                    | -                 | 13,510.56    |
| Totals                                                   | \$5,487,659.47                               | 2,677,342.00      | 8,165,001.47 |

Allocation, on a more or less arbitrary basis, of the intangible values to the various properties of the system was made for the purpose of rendering easier the distribution of interest charges but the intangible values are excluded in each instance in arriving at the property values upon which depreciation is calculated and provided.

It may be well to direct attention to the fact that the options to purchase Local Electric Systems included in the franchises of certain municipalities specifically exclude any intangible values in the determin-







ation of the consideration to be paid.

The increases in capital assets during the period under review are as follows:

| Capital Assets                                           | March 1, 1916  | Balance<br>October 31,<br>1921 | Net<br>Increase |
|----------------------------------------------------------|----------------|--------------------------------|-----------------|
| Central Ontario Section:                                 |                |                                |                 |
| Power developments and hydraulic rights                  | \$4,062,333.00 | 5,065,976.64                   | 1,003,643.64    |
| Transformer stations                                     | 773,832.91     | 1,118,381.09                   | 344,548.18      |
| Transmission Lines                                       | 980,042.00     | 1,726,421.05                   | 746,379.05      |
| Local Utilities, Electric, Gas, Water and Street Railway | 1,717,269.00   | 2,369,495.58                   | 652,226.58      |
| Nipissing Section:                                       |                |                                |                 |
| Power development and steam plant                        | 291,162.00     | 419,734.42                     | 128,572.42      |
| Transformer stations                                     | 30,914.00      | 35,492.22                      | 4,578.22        |
| Transmission lines                                       | 43,322.00      | 43,322.00                      | -               |
| Local Utilities - Electric                               | 141,429.00     | 184,236.23                     | 42,807.23       |
| Rural Lines                                              | -              | 31,321.96                      | 31,321.96       |
| Pulpmill and Pulpwood areas                              | 111,187.00     | 509,114.50                     | 397,927.50      |
| Tools and Equipment                                      | 13,510.56      | 56,108.25                      | 42,597.69       |
|                                                          | \$8,165,001.47 | 11,559,603.94                  | 3,394,602.47    |

610,000

12,169,603

The more important items constituting the increase of \$3,494,602.47 as above are set forth on Exhibit II attached hereto.

These expenditures were, for the most part, made out of funds advanced by the Province of Ontario. The following statement shows the advances by the Province for the purposes of the Central Ontario System after deducting amounts aggregating \$1,719,472.22 used by the Commission for other systems and \$296,550.00 advances for working capital. The capital expenditures made by the Commission on the Central Ontario System in each of the corresponding years are also shown.

| Period                                    | Advances applicable<br>to Capital Expenditures<br>per Exhibit IV | Capital<br>Expenditures |
|-------------------------------------------|------------------------------------------------------------------|-------------------------|
| From March 1, 1916 to<br>October 31, 1917 | \$ 670,318.52*                                                   | 901,402.57              |
| Year 1918                                 | 468,139.21                                                       | 584,583.23              |
| " 1919                                    | 473,389.80                                                       | 401,817.95              |
| " 1920                                    | 195,315.25                                                       | 602,679.15              |
| " 1921                                    | 820,000.00                                                       | 904,119.57              |
|                                           | \$2,627,162.78                                                   | 3,394,602.47            |







(\*) Note -

The advances made in 1917 include \$225,000 of Debentures issued as part payment for the Bruton Township pulpwood areas.

The excess of \$767,439.69 of capital expenditures over the advances by the Provincial Government has been made out of reserves and other funds of the system as is illustrated by the following:

Funds provided during the period from March 1, 1916 to October 31, 1921 through reserves created as follows:

|                 |                 |                |
|-----------------|-----------------|----------------|
| For Renewals    | \$1,044,426.52  |                |
| " Sinking Fund  | 28,665.54       |                |
| " Contingencies | <u>7,952.61</u> |                |
|                 |                 | \$1,081,044.67 |

Deduct -

Amount of Increase in Working Capital:

|                                                    |                   |
|----------------------------------------------------|-------------------|
| Cash                                               | \$ 4,780.95       |
| Investments                                        | 32,502.71         |
| Accounts Receivable                                | 195,817.51        |
| Advances on Pulpwood Contracts                     | 3,521.15          |
| Materials and Supplies                             | 259,697.00        |
| Deferred Debits                                    | <u>48,846.12</u>  |
| Together                                           | \$ 545,165.44     |
| Less- Increase in Current and Accrued Liabilities  | <u>103,940.61</u> |
| Net Increase in Working Capital                    | \$ 441,224.83     |
| Less- Advances by the Province for working capital | <u>296,550.00</u> |
| Amount of reserves used for working capital        | \$ 144,674.83     |
| Loss from operations for the period                | <u>168,930.15</u> |

313,604.98

Balance representing amount of reserve funds re-invested in the properties

\$ 767,439.69

The above statement shows clearly the application of the total reserve funds of \$1,081,044.67 as follows:

|                                                                                            |                       |
|--------------------------------------------------------------------------------------------|-----------------------|
| Used to increase working capital (in addition to working capital advanced by the Province) | \$ 144,674.83         |
| Lost through operations                                                                    | 168,930.15            |
| Invested in Capital Assets                                                                 | <u>767,439.69</u>     |
| <u>Together as above</u>                                                                   | <u>\$1,081,044.67</u> |

The foregoing statement has been prepared on the assumption that all advances by the Province (aside from the working capital specifically provided) have been invested in Capital Assets.



specifically provided) have been invested in Capital Assets.

that all advances by the Province (aside from the working capital

The foregoing statement has been prepared on the assumption

Together as above

Invested in Capital Assets  
Lost through operations  
Working capital advanced by the Province  
Used to increase working capital (in addition to  
reserve funds of \$1,081,044.87 as follows:

The above statement shows clearly the application of the total  
balance representing amount of reserve  
funds re-invested in the properties

Loss from operations for the period

working capital

Amount of reserves used for

working capital

Less - Advances by the Province for

Net Increase in Working Capital

Accrued liabilities

Less - Increase in Current and

Together

Deferred Debits

Materials and Supplies

Advances on Pulpwood Contracts

Accounts Receivable

Investments

Cash

Amount of Increase in Working Capital:

\$1,044,433.83

28,888.84

7,932.61

\$1,081,044.87

" Contingencies

" Sinking Fund

" For Renewals

created as follows:

Funds provided during the period from March 1,

1916 to October 31, 1921 through reserves

other funds of the system as is illustrated by the following:

advances by the Provincial Government has been made out of reserves and

The excess of \$787,433.83 of capital expenditures over the

There.  
issued as part payment for the Panton Township Pulpwood  
The advances made in 1917 include \$288,000 of Debentures



A physical inventory of tools and equipment is taken and compiled by the storekeepers at the field offices at the end of each fiscal year. Tools and sundry equipment are depreciated at the rate of at least 10% per annum of the original cost value, and in cases where tools or sundry equipment have been lost or have become worthless, amounts representing the value thereof, are also written off at the end of each fiscal year. Motor vehicles are depreciated on the basis of a four year life and furniture and fixtures on the basis of a ten year life.

In accordance with your instructions we have given particular attention to the power development at Ranney Falls, and beg to report as follows:

The cost of this undertaking was estimated by the Engineers of the Hydro-Electric Power Commission at \$1,442,150.00 and up to August 31, 1922 \$1,227,801.62 had been expended either by way of cash payments or the incurrence of liabilities, as follows:

|                                                  |                       |
|--------------------------------------------------|-----------------------|
| Cash payments                                    | \$1,099,806.36        |
| Amounts owing to contractors and others          | 82,111.49             |
| Estimated accrued interest owing to the Province | 45,883.77             |
| <u>Total</u>                                     | <u>\$1,227,801.62</u> |

The allocation of this amount by years is as follows:

|                                   |                       |
|-----------------------------------|-----------------------|
| Year ending October 31, 1919      | \$ 1,586.44           |
| " " " 31, 1920                    | 107,472.96            |
| " " " 31, 1921                    | 565,245.20            |
| Ten months ending August 31, 1922 | 553,497.02            |
| <u>Total</u>                      | <u>\$1,227,801.62</u> |

Expenditures to October 31, 1921 were made out of funds advanced by the Province on account of the Central Ontario System in general; no specific appropriation having been made up to that date in respect of the Ranney Falls development.



compiled by the storekeepers at the field office at the end of each fiscal year. Tools and sundry equipment are depreciated at the rate of at least 10% per annum of the original cost value, and in cases where tools or sundry equipment have been lost or have become worthless, amounts representing the value thereof, are also written off at the end of each fiscal year. Motor vehicles are depreciated on the basis of a four year life and furniture and fixtures on the basis of a ten year life.

In accordance with your instructions we have given particular attention to the power development at Ramsey Falls, and beg to report as follows:

The cost of this undertaking was estimated by the Engineers of the Hydro-Electric Power Commission at \$1,442,100.00 and up to August 31, 1932 \$1,237,801.22 had been expended either by way of cash payments or the incurrence of liabilities, as follows:

|                |                                                  |
|----------------|--------------------------------------------------|
| \$1,237,801.22 | Total                                            |
| 45,222.77      | Estimated accrued interest owing to the Province |
| 82,111.49      | Amounts owing to contractors and others          |
| \$1,239,906.38 | Cash payments                                    |

The allocation of this amount by years is as follows:

|                |                                   |
|----------------|-----------------------------------|
| \$1,237,801.22 | Total                             |
| 533,497.02     | Ten months ending August 31, 1932 |
| 555,242.20     | " " " "                           |
| 107,472.99     | " " " "                           |
| 1,508.44       | Year ending October 31, 1933      |

Expenditures to October 31, 1931 were made out of funds advanced by the Province on account of the Central Ontario System in General; no specific appropriation having been made up to that date in respect of the Ramsey Falls development.



For the fiscal year ending October 31, 1922, however, an appropriation for this project in the amount of \$660,000.00 was made by the Province as follows:

|              |                      |
|--------------|----------------------|
| Vote No. 113 | \$ 165,000.00        |
| " No. 219    | 495,000.00           |
| <u>Total</u> | <u>\$ 660,000.00</u> |

Up to August 31, 1922, the Commission had received from the Province \$50,000.00 of the above amount, and had issued requisitions for additional amounts aggregating \$250,000 which, however, were not received up to August 31, 1922.

ESTIMATE OF ADDITIONAL FUNDS REQUIRED FOR CONSTRUCTION:

A summary of estimates of additional funds required was made as at October 31, 1921, by the Engineers of the Commission for the Central Ontario System and included in the published estimates of the Province for the fiscal years ending October 31, 1922 and 1923 as follows:

| Particulars                                | Estimates<br>Year Ending October 31, |                   |
|--------------------------------------------|--------------------------------------|-------------------|
|                                            | 1922                                 | 1923              |
| <u>Central Ontario Section:</u>            |                                      |                   |
| Ranney Falls Development -                 |                                      |                   |
| Hydraulic                                  | \$ 265,000.00                        | -                 |
| Electrical                                 | 395,000.00                           | -                 |
| Line to Oshawa                             | 98,000.00                            | -                 |
| Miscellaneous                              | 52,000.00                            | 45,000.00         |
| Rural                                      | 43,000.00                            | 50,000.00         |
| Local Systems                              | 100,000.00                           | -                 |
| <u>Total- Central Ontario Section</u>      | <u>\$ 953,000.00</u>                 | <u>95,000.00</u>  |
| <u>Nipissing Section:</u>                  |                                      |                   |
| Generating Station                         | \$ 25,000.00                         | -                 |
| Local System                               | 20,000.00                            | -                 |
| Bingham Chute                              | 45,000.00                            | 300,000.00        |
| Minor Betterments to Stations<br>and lines | 5,000.00                             | -                 |
| Miscellaneous Stations and Lines           | -                                    | 50,000.00         |
| <u>Total- Nipissing Section</u>            | <u>\$ 95,000.00</u>                  | <u>350,000.00</u> |
| <u>Together</u>                            | <u>\$ 1,048,000.00</u>               | <u>445,000.00</u> |







CASH - \$4,780.95:

The balance of cash, as above, consists of small balances on deposit with banks located in municipalities where local utilities are operated by the Commission. Certificates were obtained by the Accountant of the Hydro-Electric Power Commission, confirming the balances at October 31, 1921 and these certificates were, we are informed, exhibited to Messrs. Clarkson, Gordon & Dilworth, in connection with their audit of the accounts.

INVESTMENTS - \$32,502.71:

The securities comprising the above balance are as follows:

|                                                         |                    |
|---------------------------------------------------------|--------------------|
| 5% Serial Debentures of the Town of Trenton, Face Value | \$20,003.56        |
| 5% Serial Debentures of the Town of Napanee, Face Value | <u>12,499.15</u>   |
| <u>Total</u>                                            | <u>\$32,502.71</u> |

The debentures of the Town of Trenton were received as part payment for the Trenton Water Works sold to the Town of Trenton.

The Debentures of the Town of Napanee represent the balance remaining of \$15,000.00 debentures (\$2,500.85 of which have been retired by the Town of Napanee) which were received as part payment for the Napanee River properties and water rights sold to the Town of Napanee.

We have been informed that the certificates representing the above investments are lodged in the Hydro-Electric Power Commission's safety deposit box in the Toronto General Trusts Corporation, and were examined by Messrs. Clarkson, Gordon & Dilworth on January 24, 1922.

ACCOUNTS RECEIVABLE AND ADVANCES TO WOOD CONTRACTORS - \$199,338.66:

The accounts receivable aggregating \$199,338.66, as above, consist of the following:







*this is set-*

|                                                                                                                  |                     |
|------------------------------------------------------------------------------------------------------------------|---------------------|
| Power and sundry sales accounts                                                                                  | \$ 72,170.47        |
| Campbellford Pulp Mill accounts                                                                                  | 8,743.66            |
| Advances to Contractors for pulpwood                                                                             | 3,521.15            |
| Merchandise sales accounts                                                                                       | 33,476.74           |
| Customers light and power accounts                                                                               | 32,712.79           |
| Due from municipalities in respect of the excess of cost of power supplied to them over the amounts paid by them | 58,965.55           |
| <u>Total</u>                                                                                                     | <u>\$209,590.36</u> |
| Less Reserve for doubtful accounts                                                                               | 10,251.70           |
| <u>Balance</u>                                                                                                   | <u>\$199,338.66</u> |

The Accountant of the Hydro-Electric Power Commission of Ontario has informed us that all uncollectible accounts outstanding as at October 31, 1921 were written off, and those doubtful of collection were off-set by a reserve adequate to provide for all losses which will be incurred in the collection of these accounts.

As permitted by Section 23a of the Power Commission Act of 1914, amounts aggregating \$58,965.55 have accumulated during the three years ending October 31, 1921 for the excess of the cost of power supplied to certain municipalities over the amounts paid by them. Details relative to this balance will be found on Exhibit 111.

INVENTORIES - \$444,695.53:-

This balance is made up as follows:

*this is set-*

|                                                                    |                     |
|--------------------------------------------------------------------|---------------------|
| Materials and supplies                                             | \$256,484.04        |
| Pulpwood and logs in Bruton Township, at Bancroft and Campbellford | \$285,692.45        |
| Pulp on hand                                                       | 26,349.04           |
| <u>Together</u>                                                    | <u>\$312,041.49</u> |
| Less- Reserve for decline in value                                 | 123,830.00          |
|                                                                    | 188,211.49          |
| <u>Balance</u>                                                     | <u>\$444,695.53</u> |

In respect of these inventories, we have been informed by Mr. Guilfoyle of Messrs. Clarkson Gordon & Dilworth, as follows:







The Inventories were ascertained by physical stocktaking by responsible representatives of the Hydro-Electric Power Commission, and valued at recoverable values not in excess of cost. The inventories were taken and prepared by the field officers and sent to the Toronto Office where extensive checks were made by the accountants of the Central Ontario System as to the basis of valuation, and as to the clerical accuracy thereof. After such verification was completed, the inventories were approved by the Engineer in charge of operations of the Central Ontario System. Messrs. Clarkson, Gordon & Dilworth, in connection with their audit of the accounts as of October 31, 1921, made such tests as were necessary to assure them that the inventories were clerically accurate and that the basis of valuation was fair.

It might be well to point out that in writing down the inventories of pulpwood and finished pulp at October 31, 1921, an additional reserve of \$86,000.00 was provided which, together with the reserve of \$37,830.00 provided at October 31, 1920, made a total reserve of \$123,830.00 which was considered adequate to provide for the probable losses arising from the decline in the value of pulpwood and finished pulp.

DEFERRED DEBITS - \$48,846.12:

This balance consists of -

|                                                                                          |                    |
|------------------------------------------------------------------------------------------|--------------------|
| Deferred Maintenance re insulation of transmission lines chargeable to future operations | \$42,838.87        |
| Prepaid Expenses                                                                         | 6,007.25           |
| <u>Total</u>                                                                             | <u>\$48,846.12</u> |

During 1920 the Commission found it necessary to replace the insulators on practically the entire Central Ontario System. As the work of taking down the old and putting up the new insulators could only be done to advantage on Sundays, with resulting high labor charges, it was decided to charge the capital account with only the cost of the new insulators, and to write off against future operations the cost of the old insulators less accrued depreciation and also the labor cost of installing the new insulators. Operations are now being charged at







the rate of \$1,200.00 per month in this connection, which will result in writing off this amount over a period of approximately five years. The prepaid expenses aggregating \$6,007.25, include prepaid insurance, stationery and sundry supplies properly chargeable to future operations.

PROVINCIAL TREASURER OF ONTARIO - \$11,273,712.78:

This amount represents the investment of the Province of Ontario in the Central Ontario System, and is made up as follows:

|                                                                                                                                                                    |                               |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|
| Debentures of the Province of Ontario-                                                                                                                             |                               |
| 4% Debentures of the Province of Ontario maturing March 1, 1926 issued in payment of the Central Ontario System purchased from the Electric Power Company, Limited | \$ 8,350,000.00               |
| 5% Ten Year Debentures of the Province of Ontario, maturing July 2, 1927, issued as part payment for the Bruton Township pulpwood areas (Total cost \$300,000.)    | 225,000.00                    |
| Cash advances during the period from March 1, 1916 to October 31, 1921                                                                                             | \$4, 418,185.00               |
| Less- Cash returned to the Provincial Government on October 31, 1921                                                                                               | <u>1,719,472.22</u>           |
|                                                                                                                                                                    | <u>2,698,712.78</u>           |
| <u>Total</u>                                                                                                                                                       | <u><u>\$11,273,712.78</u></u> |

Further details relative to the cash advances will be found on Exhibit IV. The amount of \$1,719,472.22, returned to the Province on October 31, 1921 represented funds advanced by the province for the Central Ontario System, but used by the Commission for other purposes. We have not gone into the sources from which the Province obtained the funds advanced to the Commission, as above, but we have compared the amount of \$11,273,712.78 with the published accounts of the Province as at October 31, 1921, and found the same to be in agreement therewith.







The following statement shows monies received during the fiscal year ending October 31, 1921, by the Hydro-Electric Power Commission from appropriations of the Province of Ontario for the Central Ontario System, and interest paid to the Province therefor:

*this is not*

| <u>Date Received</u> | <u>Amount</u>       | <u>No. of Days to Oct. 31, 1921</u> | <u>Rate</u> | <u>Interest paid to the Province</u> |
|----------------------|---------------------|-------------------------------------|-------------|--------------------------------------|
| December 31, 1920    | \$100,000.00        | 305                                 | 6.5%        | \$ 5,431.51                          |
| January 12, 1921     | 100,000.00          | 293                                 | 6.5         | 5,217.80                             |
| January 29, 1921     | 150,000.00          | 276                                 | 6.5         | 7,372.65                             |
| February 10, 1921    | 420,000.00          | 264                                 | 6.5         | 19,746.00                            |
| September 9, 1921    | 23,000.00           | 52                                  | 6.5         | 2,130.00                             |
| October 31, 1921     | 27,000.00           | -                                   | -           | -                                    |
|                      | <u>\$820,000.00</u> |                                     |             | <u>\$ 39,897.96</u>                  |

When monies are received from the Province by the Commission for the Central Ontario System they are deposited in the general cash accounts of the Commission, and form a part thereof until they are disbursed for the account of the Central Ontario System. During the period the funds are held by the Commission no interest charge is made against the Central Ontario System.

Interest is paid to the Province on all monies advanced by it at rates which prevail at the time the advances were made. The following statement shows the interest paid to the Province during the fiscal year ending October 31, 1921, which may be regarded as a return upon its investment in the Central Ontario System:



The following statement shows monies received during the fiscal year ending October 31, 1921, by the Hydro-Electric Power Commission from appropriations of the Province of Ontario for the Central Ontario System, and interest paid to the Province therefor:

| Date Received     | Amount              | No. of Days to Oct. 31, 1921 | Rate | Interest paid to the Province |
|-------------------|---------------------|------------------------------|------|-------------------------------|
| October 31, 1921  | \$27,000.00         | -                            | -    | -                             |
| September 9, 1921 | 23,000.00           | 32                           | 6.5  | 2,130.00                      |
| February 10, 1921 | 420,000.00          | 264                          | 6.5  | 19,748.00                     |
| January 29, 1921  | 180,000.00          | 278                          | 6.5  | 7,372.80                      |
| January 12, 1921  | 100,000.00          | 293                          | 6.5  | 5,217.80                      |
| December 31, 1920 | 2100,000.00         | 308                          | 6.5  | 8,431.81                      |
| <b>Total</b>      | <b>\$820,000.00</b> |                              |      | <b>\$39,897.90</b>            |

When monies are received from the Province by the Commission for the Central Ontario System they are deposited in the general cash accounts of the Commission, and form a part thereof until they are disbursed for the account of the Central Ontario System. During the period the funds are held by the Commission no interest charge is made against the Central Ontario System.

Interest is paid to the Province on all monies advanced by it at rates which prevail at the time the advances were made. The following statement shows the interest paid to the Province during the fiscal year ending October 31, 1921, which may be regarded as a return upon its investment in the Central Ontario System:



| <u>Particulars</u>                                      | <u>Advances</u>        | <u>Rate of Interest Charged</u> | <u>Amount of Interest Paid</u> |
|---------------------------------------------------------|------------------------|---------------------------------|--------------------------------|
| Debentures issued Mar. 1, 1916                          | \$ 8,350,000.00        | 4%                              | \$ 334,000.00                  |
| Cash advanced to Oct. 31, 1916                          | 150,000.00             | 5                               | 7,500.00                       |
| Debentures issued July 2, 1917                          | 225,000.00             | 5                               | 11,250.00                      |
| Cash advanced from October 31, 1916 to October 31, 1917 | 1,175,000.00           | 5                               | 58,750.00                      |
| Cash advanced from October 31, 1917 to October 31, 1918 | 568,185.00             | 6.2                             | 35,227.47                      |
| Cash advanced from October 31, 1918 to October 31, 1919 | 1,175,000.00           | 5 1/3                           | 62,666.66                      |
| Cash advanced from October 31, 1919 to October 31, 1920 | 530,000.00             | 6.2                             | 32,860.00                      |
| Cash advanced from October 31, 1920 to October 31, 1921 | 820,000.00             | 6.5                             | 39,897.96                      |
|                                                         | <u>\$12,993,185.00</u> |                                 | <u>\$582,152.09</u>            |

Less- Funds returned to the Province as at October 31, 1921

1,719,472.22

Total October 31, 1921

\$11,273,712.78

Less- Interest charged to the Hydro-Electric Power Commission on funds advanced by the Province for the Central Ontario System but used by the Commission for other purposes and interest on other monies of the Central Ontario System while in the possession of the Commission

\$122,543.05

Balance charged to Central Ontario System for the fiscal year ending October 31, 1921

\$459,609.04

Interest as above in the amount of \$122,543.05 chargeable to the Hydro-Electric Power Commission of Ontario comprises interest amounting to \$92,166.86 on the \$1,719,472.22 advanced by the Province for the Central Ontario System but used by the Commission for other systems and interest on other monies of the Central Ontario System while in the possession of the Commission in the amount of \$30,376.19.



| Particulars                                             | Advances        | Rate of Interest Charged | Amount of Interest Paid |
|---------------------------------------------------------|-----------------|--------------------------|-------------------------|
| Debitures issued Mar. 1, 1916                           | \$ 8,350,000.00 | 4%                       | \$ 334,000.00           |
| Cash advanced to Oct. 31, 1916                          | 150,000.00      | 5                        | 7,500.00                |
| Debitures issued July 2, 1917                           | 225,000.00      | 5                        | 11,250.00               |
| Cash advanced from October 31, 1916 to October 31, 1917 | 1,175,000.00    | 5                        | 58,750.00               |
| Cash advanced from October 31, 1917 to October 31, 1918 | 525,155.88      | 5.2                      | 27,267.47               |
| Cash advanced from October 31, 1918 to October 31, 1919 | 1,175,000.00    | 5 1/2                    | 64,625.00               |
| Cash advanced from October 31, 1919 to October 31, 1920 | 330,000.00      | 5.2                      | 17,160.00               |
| Cash advanced from October 31, 1920 to October 31, 1921 | 330,000.00      | 5.2                      | 17,160.00               |
|                                                         | \$12,995,155.88 |                          | \$682,152.07            |

Less- Funds returned to the Province as at October 31, 1921  
 \$1,719,472.22  
\$11,275,683.66

Less- Interest charged to the Hydro-Electric Power Commission on funds advanced by the Province for the Central Ontario System but used by the Commission for other purposes and interest on other monies of the Central Ontario System while in the possession of the Commission

Balance charged to Central Ontario System for the fiscal year ending October 31, 1921  
 \$459,609.04

Interest as above in the amount of \$122,843.05 chargeable to the Hydro-Electric Power Commission of Ontario comprises interest amounting to \$2,156.88 on the \$1,719,472.22 advanced by the Province for Central Ontario System but used by the Commission for other systems and interest another monies of the Central Ontario System while in the possession of the Commission in the amount of \$30,376.19.



ACCOUNTS PAYABLE AND ACCRUED LIABILITIES - \$64,447.85

*this is set-*

|                                                                                                                                                   |                    |
|---------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|
| Accrued Water Rents                                                                                                                               | \$53,258.05        |
| Accrued Sales and Luxury Taxes                                                                                                                    | 2,506.26           |
| Amounts due the Townships of Whitby and East Whitby representing interest and principal due on Debentures issued for constructing secondary lines | 1,245.30           |
| Due on Bruton Township wood contracts                                                                                                             | 6,491.74           |
| Other Accounts Payable                                                                                                                            | 946.50             |
| <u>Total</u>                                                                                                                                      | <u>\$64,447.85</u> |

We have not examined the accounts to ascertain that all liabilities were taken up on the books of the Central Ontario System as at October 31, 1921, but upon inquiry, we were furnished with a letter under date of September 13, 1922, by the Accountant of the Hydro-Electric Power Commission stating that all liabilities in respect of operating expenses and general stores were given effect to on the books as at October 31, 1921, and that liabilities in respect of contract commitments for the Central Ontario System in the amount of \$204,302.24, while not taken up in the accounts, were included in the contingent liability of \$3,527,552.28 which appears as a foot note in the published balance sheet of the Hydro-Electric Power Commission of Ontario. The foregoing position in respect of liabilities relative to operating expenses and general stores has been confirmed to us by Messrs . Clarkson, Gordon & Dilworth.

The aggregate amount of invoices received prior to, but unpaid as of October 31, 1921 representing construction materials not covered by construction contracts has not been ascertained separately for the Central Ontario System, though it is stated that the aggregate of such invoices chargeable to capital at October 31, 1921, of all the undertakings of the Commission amounted to approximately \$533,000.00. Due to the extent of the detail involved it has not been thought advisable by us to extend the investigation further in this regard but merely to report







upon this fact.

HYDRO-ELECTRIC POWER COMMISSION OF ONTARIO -  
CURRENT ACCOUNTS - \$18,638.43:

This balance represents monies advanced to the Central Ontario System by the Hydro-Electric Power Commission as at October 31, 1921 in excess of the amounts obtained from the Province for the purposes of the Central Ontario System.

DUE MUNICIPALITIES - \$7,180.07:

This represents amounts due to certain municipalities for the excess of the amount paid by them over the cost of power supplied to them including interest from the dates the credits were issued. Details relative to these items will be found on Exhibit 111.

CONSUMERS DEPOSITS - \$10,734.26:

This balance consists of monies deposited with the Commission to guarantee the payment of consumers lighting bills in the municipalities where the Commission operates Local Electric Systems.

UNEARNED WATER RENTS - \$2,940.00:

The above amount represents the unearned portion of water rents collected or charged in advance in the town of Cobourg.

RESERVE FOR RENEWALS - \$1,044,426.52:

The balance in the Reserve for Renewals Account, in respect of properties of the Central Ontario System, amounted at October 31, 1921, to \$1,044,426.52. A brief analysis of the account is as follows:-

| <u>Period</u>                       | <u>Amounts<br/>Provided</u> | <u>Interest<br/>at 4%</u> | <u>Together</u> |
|-------------------------------------|-----------------------------|---------------------------|-----------------|
| March 1, 1916 to October 31, 1917   | \$253,283.74                | \$                        | \$253,283.74    |
| Fiscal year ending October 31, 1918 | 166,038.50                  | 10,131.35                 | 176,169.85      |
| 1919                                | 181,408.07                  | 16,465.58                 | 197,873.65      |
| 1920                                | 196,726.30                  | 24,295.06                 | 221,021.36      |
| 1921                                | 208,328.47                  | 32,441.76                 | 240,770.23      |
| Together (Forward)                  | \$1,005,785.08              | \$83,333.75               | \$1,089,118.83  |

*this is set*



HYDRO-ELECTRIC POWER COMMISSION OF ONTARIO -  
CURRENT ACCOUNTS - \$18,833.43

This balance represents monies advanced to the Central Ontario System by the Hydro-Electric Power Commission as at October 31, 1931 in excess of the amounts obtained from the Province for the purposes of the Central Ontario System.

DUE MUNICIPALITIES - \$7,180.07

This represents amounts due to certain municipalities for the excess of the amount paid by them over the cost of power supplied to the including interest from the dates the credits were issued. Details relative to these items will be found on Exhibit III.

CONSUMERS DEPOSITS - \$10,734.28

This balance consists of monies deposited with the Commission to guarantee the payment of consumers lighting bills in the municipalities where the Commission operates local electric systems.

UNREARDED WATER RENTS - \$2,940.00

The above amount represents the unreared portion of water rents collected or charged in advance in the town of Cobourg.

RESERVE FOR RENEWALS - \$1,044,486.82

The balance in the Reserve for Renewals Account, in respect of properties of the Central Ontario System, amounted at October 31, 1931 to \$1,044,486.82. A brief analysis of the account is as follows:-

| Period                            | Amounts Provided | Interest at 4% Together |
|-----------------------------------|------------------|-------------------------|
| March 1, 1916 to October 31, 1917 | \$253,283.74     | \$253,283.74            |
| March 1, 1917 to October 31, 1918 | 166,038.80       | 10,131.35               |
| March 1, 1918 to October 31, 1919 | 181,408.07       | 12,483.88               |
| March 1, 1919 to October 31, 1920 | 136,736.30       | 8,408.00                |
| March 1, 1920 to October 31, 1921 | 208,328.47       | 12,497.70               |
| March 1, 1921 to October 31, 1922 | 208,328.47       | 12,497.70               |
| March 1, 1922 to October 31, 1923 | 208,328.47       | 12,497.70               |
| March 1, 1923 to October 31, 1924 | 208,328.47       | 12,497.70               |
| March 1, 1924 to October 31, 1925 | 208,328.47       | 12,497.70               |
| March 1, 1925 to October 31, 1926 | 208,328.47       | 12,497.70               |
| March 1, 1926 to October 31, 1927 | 208,328.47       | 12,497.70               |
| March 1, 1927 to October 31, 1928 | 208,328.47       | 12,497.70               |
| March 1, 1928 to October 31, 1929 | 208,328.47       | 12,497.70               |
| March 1, 1929 to October 31, 1930 | 208,328.47       | 12,497.70               |
| March 1, 1930 to October 31, 1931 | 208,328.47       | 12,497.70               |
| March 1, 1931 to October 31, 1932 | 208,328.47       | 12,497.70               |
| March 1, 1932 to October 31, 1933 | 208,328.47       | 12,497.70               |
| March 1, 1933 to October 31, 1934 | 208,328.47       | 12,497.70               |
| March 1, 1934 to October 31, 1935 | 208,328.47       | 12,497.70               |
| March 1, 1935 to October 31, 1936 | 208,328.47       | 12,497.70               |
| March 1, 1936 to October 31, 1937 | 208,328.47       | 12,497.70               |
| March 1, 1937 to October 31, 1938 | 208,328.47       | 12,497.70               |
| March 1, 1938 to October 31, 1939 | 208,328.47       | 12,497.70               |
| March 1, 1939 to October 31, 1940 | 208,328.47       | 12,497.70               |
| March 1, 1940 to October 31, 1941 | 208,328.47       | 12,497.70               |
| March 1, 1941 to October 31, 1942 | 208,328.47       | 12,497.70               |
| March 1, 1942 to October 31, 1943 | 208,328.47       | 12,497.70               |
| March 1, 1943 to October 31, 1944 | 208,328.47       | 12,497.70               |
| March 1, 1944 to October 31, 1945 | 208,328.47       | 12,497.70               |
| March 1, 1945 to October 31, 1946 | 208,328.47       | 12,497.70               |
| March 1, 1946 to October 31, 1947 | 208,328.47       | 12,497.70               |
| March 1, 1947 to October 31, 1948 | 208,328.47       | 12,497.70               |
| March 1, 1948 to October 31, 1949 | 208,328.47       | 12,497.70               |
| March 1, 1949 to October 31, 1950 | 208,328.47       | 12,497.70               |
| March 1, 1950 to October 31, 1951 | 208,328.47       | 12,497.70               |
| March 1, 1951 to October 31, 1952 | 208,328.47       | 12,497.70               |
| March 1, 1952 to October 31, 1953 | 208,328.47       | 12,497.70               |
| March 1, 1953 to October 31, 1954 | 208,328.47       | 12,497.70               |
| March 1, 1954 to October 31, 1955 | 208,328.47       | 12,497.70               |
| March 1, 1955 to October 31, 1956 | 208,328.47       | 12,497.70               |
| March 1, 1956 to October 31, 1957 | 208,328.47       | 12,497.70               |
| March 1, 1957 to October 31, 1958 | 208,328.47       | 12,497.70               |
| March 1, 1958 to October 31, 1959 | 208,328.47       | 12,497.70               |
| March 1, 1959 to October 31, 1960 | 208,328.47       | 12,497.70               |
| March 1, 1960 to October 31, 1961 | 208,328.47       | 12,497.70               |
| March 1, 1961 to October 31, 1962 | 208,328.47       | 12,497.70               |
| March 1, 1962 to October 31, 1963 | 208,328.47       | 12,497.70               |
| March 1, 1963 to October 31, 1964 | 208,328.47       | 12,497.70               |
| March 1, 1964 to October 31, 1965 | 208,328.47       | 12,497.70               |
| March 1, 1965 to October 31, 1966 | 208,328.47       | 12,497.70               |
| March 1, 1966 to October 31, 1967 | 208,328.47       | 12,497.70               |
| March 1, 1967 to October 31, 1968 | 208,328.47       | 12,497.70               |
| March 1, 1968 to October 31, 1969 | 208,328.47       | 12,497.70               |
| March 1, 1969 to October 31, 1970 | 208,328.47       | 12,497.70               |
| March 1, 1970 to October 31, 1971 | 208,328.47       | 12,497.70               |
| March 1, 1971 to October 31, 1972 | 208,328.47       | 12,497.70               |
| March 1, 1972 to October 31, 1973 | 208,328.47       | 12,497.70               |
| March 1, 1973 to October 31, 1974 | 208,328.47       | 12,497.70               |
| March 1, 1974 to October 31, 1975 | 208,328.47       | 12,497.70               |
| March 1, 1975 to October 31, 1976 | 208,328.47       | 12,497.70               |
| March 1, 1976 to October 31, 1977 | 208,328.47       | 12,497.70               |
| March 1, 1977 to October 31, 1978 | 208,328.47       | 12,497.70               |
| March 1, 1978 to October 31, 1979 | 208,328.47       | 12,497.70               |
| March 1, 1979 to October 31, 1980 | 208,328.47       | 12,497.70               |
| March 1, 1980 to October 31, 1981 | 208,328.47       | 12,497.70               |
| March 1, 1981 to October 31, 1982 | 208,328.47       | 12,497.70               |
| March 1, 1982 to October 31, 1983 | 208,328.47       | 12,497.70               |
| March 1, 1983 to October 31, 1984 | 208,328.47       | 12,497.70               |
| March 1, 1984 to October 31, 1985 | 208,328.47       | 12,497.70               |
| March 1, 1985 to October 31, 1986 | 208,328.47       | 12,497.70               |
| March 1, 1986 to October 31, 1987 | 208,328.47       | 12,497.70               |
| March 1, 1987 to October 31, 1988 | 208,328.47       | 12,497.70               |
| March 1, 1988 to October 31, 1989 | 208,328.47       | 12,497.70               |
| March 1, 1989 to October 31, 1990 | 208,328.47       | 12,497.70               |
| March 1, 1990 to October 31, 1991 | 208,328.47       | 12,497.70               |
| March 1, 1991 to October 31, 1992 | 208,328.47       | 12,497.70               |
| March 1, 1992 to October 31, 1993 | 208,328.47       | 12,497.70               |
| March 1, 1993 to October 31, 1994 | 208,328.47       | 12,497.70               |
| March 1, 1994 to October 31, 1995 | 208,328.47       | 12,497.70               |
| March 1, 1995 to October 31, 1996 | 208,328.47       | 12,497.70               |
| March 1, 1996 to October 31, 1997 | 208,328.47       | 12,497.70               |
| March 1, 1997 to October 31, 1998 | 208,328.47       | 12,497.70               |
| March 1, 1998 to October 31, 1999 | 208,328.47       | 12,497.70               |
| March 1, 1999 to October 31, 2000 | 208,328.47       | 12,497.70               |
| March 1, 2000 to October 31, 2001 | 208,328.47       | 12,497.70               |
| March 1, 2001 to October 31, 2002 | 208,328.47       | 12,497.70               |
| March 1, 2002 to October 31, 2003 | 208,328.47       | 12,497.70               |
| March 1, 2003 to October 31, 2004 | 208,328.47       | 12,497.70               |
| March 1, 2004 to October 31, 2005 | 208,328.47       | 12,497.70               |
| March 1, 2005 to October 31, 2006 | 208,328.47       | 12,497.70               |
| March 1, 2006 to October 31, 2007 | 208,328.47       | 12,497.70               |
| March 1, 2007 to October 31, 2008 | 208,328.47       | 12,497.70               |
| March 1, 2008 to October 31, 2009 | 208,328.47       | 12,497.70               |
| March 1, 2009 to October 31, 2010 | 208,328.47       | 12,497.70               |
| March 1, 2010 to October 31, 2011 | 208,328.47       | 12,497.70               |
| March 1, 2011 to October 31, 2012 | 208,328.47       | 12,497.70               |
| March 1, 2012 to October 31, 2013 | 208,328.47       | 12,497.70               |
| March 1, 2013 to October 31, 2014 | 208,328.47       | 12,497.70               |
| March 1, 2014 to October 31, 2015 | 208,328.47       | 12,497.70               |
| March 1, 2015 to October 31, 2016 | 208,328.47       | 12,497.70               |
| March 1, 2016 to October 31, 2017 | 208,328.47       | 12,497.70               |
| March 1, 2017 to October 31, 2018 | 208,328.47       | 12,497.70               |
| March 1, 2018 to October 31, 2019 | 208,328.47       | 12,497.70               |
| March 1, 2019 to October 31, 2020 | 208,328.47       | 12,497.70               |
| March 1, 2020 to October 31, 2021 | 208,328.47       | 12,497.70               |
| March 1, 2021 to October 31, 2022 | 208,328.47       | 12,497.70               |
| March 1, 2022 to October 31, 2023 | 208,328.47       | 12,497.70               |
| March 1, 2023 to October 31, 2024 | 208,328.47       | 12,497.70               |
| March 1, 2024 to October 31, 2025 | 208,328.47       | 12,497.70               |
| March 1, 2025 to October 31, 2026 | 208,328.47       | 12,497.70               |
| March 1, 2026 to October 31, 2027 | 208,328.47       | 12,497.70               |
| March 1, 2027 to October 31, 2028 | 208,328.47       | 12,497.70               |
| March 1, 2028 to October 31, 2029 | 208,328.47       | 12,497.70               |
| March 1, 2029 to October 31, 2030 | 208,328.47       | 12,497.70               |
| March 1, 2030 to October 31, 2031 | 208,328.47       | 12,497.70               |
| March 1, 2031 to October 31, 2032 | 208,328.47       | 12,497.70               |
| March 1, 2032 to October 31, 2033 | 208,328.47       | 12,497.70               |
| March 1, 2033 to October 31, 2034 | 208,328.47       | 12,497.70               |
| March 1, 2034 to October 31, 2035 | 208,328.47       | 12,497.70               |
| March 1, 2035 to October 31, 2036 | 208,328.47       | 12,497.70               |
| March 1, 2036 to October 31, 2037 | 208,328.47       | 12,497.70               |
| March 1, 2037 to October 31, 2038 | 208,328.47       | 12,497.70               |
| March 1, 2038 to October 31, 2039 | 208,328.47       | 12,497.70               |
| March 1, 2039 to October 31, 2040 | 208,328.47       | 12,497.70               |
| March 1, 2040 to October 31, 2041 | 208,328.47       | 12,497.70               |
| March 1, 2041 to October 31, 2042 | 208,328.47       | 12,497.70               |
| March 1, 2042 to October 31, 2043 | 208,328.47       | 12,497.70               |
| March 1, 2043 to October 31, 2044 | 208,328.47       | 12,497.70               |
| March 1, 2044 to October 31, 2045 | 208,328.47       | 12,497.70               |
| March 1, 2045 to October 31, 2046 | 208,328.47       | 12,497.70               |
| March 1, 2046 to October 31, 2047 | 208,328.47       | 12,497.70               |
| March 1, 2047 to October 31, 2048 | 208,328.47       | 12,497.70               |
| March 1, 2048 to October 31, 2049 | 208,328.47       | 12,497.70               |
| March 1, 2049 to October 31, 2050 | 208,328.47       | 12,497.70               |
| March 1, 2050 to October 31, 2051 | 208,328.47       | 12,497.70               |
| March 1, 2051 to October 31, 2052 | 208,328.47       | 12,497.70               |
| March 1, 2052 to October 31, 2053 | 208,328.47       | 12,497.70               |
| March 1, 2053 to October 31, 2054 | 208,328.47       | 12,497.70               |
| March 1, 2054 to October 31, 2055 | 208,328.47       | 12,497.70               |
| March 1, 2055 to October 31, 2056 | 208,328.47       | 12,497.70               |
| March 1, 2056 to October 31, 2057 | 208,328.47       | 12,497.70               |
| March 1, 2057 to October 31, 2058 | 208,328.47       | 12,497.70               |
| March 1, 2058 to October 31, 2059 | 208,328.47       | 12,497.70               |
| March 1, 2059 to October 31, 2060 | 208,328.47       | 12,497.70               |
| March 1, 2060 to October 31, 2061 | 208,328.47       | 12,497.70               |
| March 1, 2061 to October 31, 2062 | 208,328.47       | 12,497.70               |
| March 1, 2062 to October 31, 2063 | 208,328.47       | 12,497.70               |
| March 1, 2063 to October 31, 2064 | 208,328.47       | 12,497.70               |
| March 1, 2064 to October 31, 2065 | 208,328.47       | 12,497.70               |
| March 1, 2065 to October 31, 2066 | 208,328.47       | 12,497.70               |
| March 1, 2066 to October 31, 2067 | 208,328.47       | 12,497.70               |
| March 1, 2067 to October 31, 2068 | 208,328.47       | 12,497.70               |
| March 1, 2068 to October 31, 2069 | 208,328.47       | 12,497.70               |
| March 1, 2069 to October 31, 2070 | 208,328.47       | 12,497.70               |
| March 1, 2070 to October 31, 2071 | 208,328.47       | 12,497.70               |
| March 1, 2071 to October 31, 2072 | 208,328.47       | 12,497.70               |
| March 1, 2072 to October 31, 2073 | 208,328.47       | 12,497.70               |
| March 1, 2073 to October 31, 2074 | 208,328.47       | 12,497.70               |
| March 1, 2074 to October 31, 2075 | 208,328.47       | 12,497.70               |
| March 1, 2075 to October 31, 2076 | 208,328.47       | 12,497.70               |
| March 1, 2076 to October 31, 2077 | 208,328.47       | 12,497.70               |
| March 1, 2077 to October 31, 2078 | 208,328.47       | 12,497.70               |
| March 1, 2078 to October 31, 2079 | 208,328.47       | 12,497.70               |
| March 1, 2079 to October 31, 2080 | 208,328.47       | 12,497.70               |
| March 1, 2080 to October 31, 2081 | 208,328.47       | 12,497.70               |
| March 1, 2081 to October 31, 2082 | 208,328.47       | 12,497.70               |
| March 1, 2082 to October 31, 2083 | 208,328.47       | 12,497.70               |
| March 1, 2083 to October 31, 2084 | 208,328.47       | 12,497.70               |
| March 1, 2084 to October 31, 2085 | 208,328.47       | 12,497.70               |
| March 1, 2085 to October 31, 2086 | 208,328.47       | 12,497.70               |
| March 1, 2086 to October 31, 2087 | 208,328.47       | 12,497.70               |
| March 1, 2087 to October 31, 2088 | 208,328.47       | 12,497.70               |
| March 1, 2088 to October 31, 2089 | 208,328.47       | 12,497.70               |
| March 1, 2089 to October 31, 2090 | 208,328.47       | 12,497.70               |
| March 1, 2090 to October 31, 2091 | 208,328.47       | 12,497.70               |
| March 1, 2091 to October 31, 2092 | 208,328.47       | 12,497.70               |
| March 1, 2092 to October 31, 2093 | 208,328.47       | 12,497.70               |
| March 1, 2093 to October 31, 2094 | 208,328.47       | 12,497.70               |
| March 1, 2094 to October 31, 2095 | 208,328.47       | 12,497.70               |
| March 1, 2095 to October 31, 2096 | 208,328.47       | 12,497.70               |
| March 1, 2096 to October 31, 2097 | 208,328.47       | 12,497.70               |
| March 1, 2097 to October 31, 2098 | 208,328.47       | 12,497.70               |
| March 1, 2098 to October 31, 2099 | 208,328.47       | 12,497.70               |
| March 1, 2099 to October 31, 2100 | 208,328.47       | 12,497.70               |
| March 1, 2100 to October 31, 2101 | 208,328.47       | 12,497.70               |
| March 1, 2101 to October 31, 2102 | 208,328.47       | 12,497.70               |
| March 1, 2102 to October 31, 2103 | 208,328.47       | 12,497.70               |
| March 1, 2103 to October 31, 2104 | 208,328.47       | 12,497.70               |
| March 1, 2104 to October 31, 2105 | 208,328.47       | 12,497.70               |
| March 1, 2105 to October 31, 2106 | 208,328.47       | 12,497.70               |
| March 1, 2106 to October 31, 2107 | 208,328.47       | 12,497.70               |
| March 1, 2107 to October 31, 2108 | 208,328.47       | 12,497.70               |
| March 1, 2108 to October 31, 2109 | 208,328.47       | 12,497.70               |
| March 1, 2109 to October 31, 2110 | 208,328.47       | 12,497.70               |
| March 1, 2110 to October 31, 2111 | 208,328.47       | 12,497.70               |
| March 1, 2111 to October 31, 2112 | 208,328.47       | 12,497.70               |
| March 1, 2112 to October 31, 2113 | 208,328.47       | 12,497.70               |
| March 1, 2113 to October 31, 2114 | 208,328.47       | 12,497.70               |
| March 1, 2114 to October 31, 2115 | 208,328.47       | 12,497.70               |
| March 1, 2115 to October 31, 2116 | 208,328.47       | 12,497.70               |
| March 1, 2116 to October 31, 2117 | 208,328.47       | 12,4                    |



|                                                                  |                |              |                       |
|------------------------------------------------------------------|----------------|--------------|-----------------------|
| Carried Forward                                                  | \$1,005,785.08 | \$ 83,333.75 | \$1,089,118.83        |
| Less -                                                           |                |              |                       |
| Cost of reinsulating practically all lines                       |                | \$12,702.32  |                       |
| Reversal of reserve applicable to equipment considered valueless |                | 12,043.34    |                       |
| Repairing line from Fenelon Falls to Lindsay                     |                | 4,317.38     |                       |
| Cost of rewinding #4 Generator                                   |                | 3,469.00     |                       |
| Other charges, transfers, etc.                                   |                | 12,160.27    | 44,692.31             |
| Balance at October 31, 1921                                      |                |              | <u>\$1,044,426.52</u> |

Additions to the Reserve Account, in the case of power developments, stations and lines, are provided by an annual charge included in the cost of operations of  $2\frac{1}{2}\%$  on the amount of capital invested therein, exclusive of amounts allocated to intangibles, such as undeveloped hydraulic rights, franchises, etc. Reserves for renewal of works of the various local utilities and the pulp mill are provided at the rate of  $3\frac{1}{2}\%$  per annum on the amount of the capital investment, exclusive of estimated intangible values. In addition to the above provisions, interest at the rate of 4% on the balance in the Renewals Account is added each year. Additions to the Reserve for Renewals of the Central Ontario System therefore, similar to the Systems of the Hydro-Electric Power Commission proper, are computed upon a sinking fund basis. Annual provisions of  $2\frac{1}{2}\%$  on the power developments, etc. and  $3\frac{1}{2}\%$  on the local utilities improved each year at the rate of 4% are equivalent to so-called straight line provisions of approximately 4% in the case of the former, and 5% on the latter properties. That is, while the amount of the annual additions under the sinking fund and straight line methods vary in amount, the sums accumulated by either plan would equal the amounts being reserved for in about twenty-five and twenty years respectively.

The basis of the percentage of  $2\frac{1}{2}\%$  used in the calculations of the annual provision in respect of renewals for power developments, stations and lines is set forth in Exhibits VI, VI-A and VI-B attached







hereto. The values of the various properties as shown in these Exhibits represent the amounts estimated by the Engineers of the Commission which would be required to replace such properties new in the year 1914, These estimated replacement values, together with expenditures on account of additions to March 1, 1916, the date as of which the System was acquired by the Province, have been used to determine the amount of investment in physical assets at that date, and also the extent to which intangible values were included in the purchase price of \$8,350,000.00 paid by the Province for the various undertakings. Upon this basis in each subsequent year the amount of the capital investment used in the determination of the renewals provision has been arrived at by taking into consideration expenditures made on account of additions and extensions to the properties in the respective years. The rate of  $3\frac{1}{2}\%$  adopted in respect of provisions for renewals of the local systems, etc. insofar as applicable, is based upon data obtained regarding similar properties of municipalities of the Niagara and other Systems.

The Reserve for Renewals Account as constituted at October 31, 1921, comprises provisions for the period from March 1, 1916, to October 31, 1921 only. No provision therefore, for the period prior to March 1, 1916, is included in the accounts, although operations of the various units or undertakings extend back from two to sixteen years prior to that date. This circumstance should, of course be borne in mind when consideration is given to the adequacy of the Reserve as at October 31, 1921.

A statement showing the amounts provided, charges thereagainst and the balance in the Reserve Account at October 31, 1921, allocated to the various classes of utilities, is attached hereto and marked Exhibit V.

Elsewhere in this report reference is made to the fact that the funds representing the Renewal Reserve have been very largely re-invested in capital assets and are therefore, to such extent not available for the purpose of defraying the cost of renewals and replacements.







RESERVE FOR SINKING FUNDS - \$28,665.54:

In respect of sinking funds, Mr. G. T. Clarkson in his audit report of the accounts of the Hydro-Electric Power Commission of Ontario for the fiscal year ended October 31, 1921, states as follows:

"With the Central Ontario System owned by the Province of Ontario the operations of the System do not require to be conducted subject to the provisions of the Power Commission Act, and particularly Section 23 thereof. With this the case there is no obligation upon the Commission to establish sinking funds for the repayment of the investments of the Province in or its advances to the System. There is equally, however, nothing to prevent the Commission establishing Sinking Funds in respect of the costs of any particular works of the System, if, in its opinion, it deems it advisable so to do."

The total capital investment in the Central Ontario System amounted at October 31, 1921 to \$11,559,603.94 and sinking funds are being provided in respect of \$418,760.84 thereof comprising the Bruton Township Pulpwood areas and Bancroft Mill valued at \$387,438.88 and the Oshawa Rural Lines \$31,231.96.

Up to October 31, 1921, the sinking funds provided in respect of these properties were as follows:

| <u>Year</u>    | <u>Oshawa<br/>Rural Lines</u> | <u>Bruton Township<br/>Pulpwood Areas</u> | <u>Bancroft<br/>Mill</u> | <u>Total</u>        |
|----------------|-------------------------------|-------------------------------------------|--------------------------|---------------------|
| 1918           | \$ 268.23                     | \$ 7,200.00                               | \$ 143.33                | \$ 7,611.56         |
| 1919           | 392.96                        | 5,400.00                                  | 473.12                   | 6,266.08            |
| 1920           | 536.52                        | 5,400.00                                  | 530.46                   | 6,466.98            |
| 1921           | 562.93                        | 5,400.00                                  | 637.60                   | 6,600.53            |
|                | <u>\$ 1,760.64</u>            | <u>\$ 23,400.00</u>                       | <u>\$1,784.51</u>        | <u>\$ 26,945.15</u> |
| Interest added | 87.01                         | 1,555.66                                  | 77.72                    | 1,720.39            |
| <u>Totals</u>  | <u>\$1,847.65</u>             | <u>\$ 24,955.66</u>                       | <u>\$1,862.23</u>        | <u>\$ 28,665.54</u> |

Sinking Funds are being provided in respect of the Oshawa Rural Lines, the Bruton Township Pulpwood Areas and the Bancroft Mill, on a basis sufficient with interest added annually at 4% to retire the capital investment in thirty years.

It will be noted in this connection that no provision for renewals or depletion is being provided in respect of the Bruton Township Pulpwood Areas and the Bancroft Mill, as the provision for sinking fund is considered adequate to provide for depreciation and depletion incurred







in the operation thereof.

Mr. G. T. Clarkson in his audit report on the accounts of the Hydro-Electric Power Commission, for the fiscal year ended October 31, 1921, outlines the conditions relative to sinking funds to be paid by municipalities receiving power on a cost basis, as follows:

"As of date March 1, 1916, the Province of Ontario purchased what is known as the Central Ontario System from the Electric Power Company, Limited, and thereafter committed the management of such System to the Hydro-Electric Power Commission of Ontario. Under date of March 1, 1913, the Commission had entered into an Agreement with the City of Peterborough for the sale to it of power at cost (on a Hydro municipal basis) and later and after March 1, 1916, (the date of purchase of the System) it entered into contracts to sell power at cost to the Villages of Bloomfield, Lakefield, Havelock, Marmora, Norwood, Wellington and the Town of Picton. Power is also being sold by the System to the Town of Whitby at cost, but no contract has as yet been entered into with such corporation. For various reasons it was impossible for the Commission to compute the cost of power to such corporations until after October 31, 1918, and it was not until within the fiscal year ending October 31, 1921, that costs as computed were given effect to; they were then, however, made retroactive to November 1, 1918. In the computation of such costs no charge was included for sinking funds, the intention being that the collection of such charges should be deferred. The greater number of the contracts with the municipalities mentioned have been validated by the Legislature and if full effect shall now be given to them and the collection of sinking funds from the municipalities be undertaken, the System will hereafter be operated upon a basis where, while owned by the Province.

(a) The municipalities mentioned will with the payment of sinking funds acquire a proprietary interest in the System under the terms of the contracts with them which provide that the Commission holds "works" of the System as Trustees for the municipalities subject to a lien "for" all monies expended by the Commission under this Agreement and not repaid."

(b) Power will be sold by the System to certain municipalities and companies at flat rates per horse power under Agreements which do not give such municipalities any proprietary interest in the System, neither are they required to pay sinking funds in respect of the works of the System.

(c) The Commission will continue, at the risk of the Province, to operate a number of local utilities which take power from the System and retail it to customers resident in various municipalities.

(d) The Commission, at the risk of the Province, is now operating and will continue to operate the Peterborough Street Railway and the Campbellford Pulp Mill which take power from the System and pay cost for such power excluding sinking funds.

If the System be operated on such a basis it is not impossible or improbable that some confusion may ultimately come about as to the exact rights of the Province and the municipalities under contract of sinking funds be collected from the latter; also, it is not clear as to how far the provisions of the Power Commission Act will or will not apply to the operation of the System. I desire to draw these conditions to







your attention and recommend that the conditions of affairs be discussed between the Government and the Commission and some definite understanding be come to to determine whether the System is to continue to be owned by the Province or in the alternative it is to pass to the municipality in whole or in part, subject to a lien for repayment of the investment in and advances of the Province to the System."

RESERVE FOR CONTINGENCIES - \$7,952.61:

The Reserve for Contingencies was established by the Commission for the purpose of providing for special losses or expenses not arising at regular intervals and not wholly applicable to the period in which incurred. The balance of \$7,952.61, as above, remaining in the account at October 31, 1921, is made up as follows:

|                                                                                                                                                                                                                                                              |             |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|
| Provision for Contingencies charged against operations on the basis of 25 cents per horse power, except in 1921, when an amount of \$19,000 was provided in addition to the usual provision, for the purpose of meeting extraordinary losses at Healey Falls | \$53,314.92 |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|

|                                            |        |
|--------------------------------------------|--------|
| Interest added at the rate of 4% per annum | 917.34 |
|--------------------------------------------|--------|

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\$54,232.26

Deduct-

Charges against the reserve; the more important items of which being as follows:

|                                                                                                   |            |            |
|---------------------------------------------------------------------------------------------------|------------|------------|
| Cost of rebuilding two generators at the Seymour Power House burned out by lightning              | \$5,607.47 |            |
| Loss on switchboard burned out at the Sulphide sub-station                                        | 1,811.59   |            |
| Cost of repairs to building and equipment at Healey Falls, caused by fire                         | 5,361.82   |            |
| Cost of repairs to building and equipment at Healey Falls, necessitated by damage caused by flood | 22,248.58  |            |
| Cost of replacing two butterfly valves at Healey Falls                                            | 3,917.05   |            |
| Miscellaneous small items                                                                         | 7,333.14   | ,46,279.65 |

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|         |             |
|---------|-------------|
| Balance | \$ 7,952.61 |
|---------|-------------|

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The expenditures in each of the years were as follows:

Year ending, October 31

|      |             |
|------|-------------|
| 1918 | \$10,959.01 |
| 1919 | 2,621.15    |
| 1920 | 1,935.00    |
| 1921 | 30,764.49   |

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|                |             |
|----------------|-------------|
| Total as above | \$46,279.65 |
|----------------|-------------|

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In view of the foregoing and particularly in view of the large expenditure incurred in 1921, we believe that the balance remaining in the Reserve of \$7,952.61 should be substantially increased and maintained at an increased amount, and if, after a reasonable period of operation it is found through the recurrence of disasters such as were experienced in 1921, that the rates used in providing for this reserve are not adequate to build up and maintain the Reserve in a substantial amount, we would recommend that the rates be increased.

### CONTRACTS

We have attached excerpts taken from certain contracts outlining the different conditions under which power is sold by the Central Ontario System.

Franchises granted by all municipalities in which Local Electric Systems are operated by the Commission, involve the same general principles. Excerpts embodying the more salient features of the franchise granted by the municipal corporation of Port Hope regarded as a representative one, are set forth on Exhibit XXIV attached hereto. It should, of course, be borne in mind that provisions necessary to meet certain local conditions peculiar to the various municipalities are incorporated in the respective franchises. The Commission has made separate contracts similar to the one shown on Exhibit XXVIII with the Ontario Rock Company, with the consumers in these municipalities taking more than 50 h.p. per annum and for all consumers taking less than 50 h.p. per annum a standard card contract of the Hydro-Electric Power Commission is signed by the consumer.

On Exhibit XXV will be found excerpts from the contract with the municipal corporation of the town of Picton. This contract is typical of all other contracts made with municipal corporations taking power at cost in accordance with Section 23 of the Power Commission Act of 1914.

On Exhibit XXVI will be found excerpts from the contract with







the municipal corporation of the city of Kingston which is typical of other contracts with municipal corporations receiving power at fixed rates from the Central Ontario System, although it does not of course embody all of the features contained in the other contracts of this class.

We have appended as Exhibit XXVII excerpts from the contract with the municipal corporation of the town of East Whitby which is typical of other contracts made with rural customers who are furnished with power at cost in accordance with the Power Commission Act of 1914.

On Exhibit XXVIII will be found excerpts from the contract with the Ontario Rock Company Limited which is similar to other contracts made with private companies receiving power from the Central Ontario System at fixed rates. However, contracts made with companies vary according to the circumstances under which the power is supplied. We also attach hereto as Exhibit XXIX excerpts from the contract with the Canada Cement Company Limited under which power is being supplied by the Central Ontario System at fixed rates. As has been pointed out previously in our remarks concerning the results of operations of the power department, a loss was sustained in supplying private companies power at fixed rates, and it will be noted by reference to Exhibit XIX that a loss of \$51,960.57 was incurred in furnishing power to the Canada Cement Company Limited during the fiscal year ending October 31, 1921. It will further be noted by reference to the excerpts from this contract that the contract expires March 1, 1925, but the customer has the option of renewing it for a further period of fifteen years at the same rates.

In connection with the contracts under which power is being supplied to the various customers of the Central Ontario System, it might be well to point out that there are still in effect a number of contracts which were assumed by the Province in connection with the purchase of the Central Ontario System.







## CONCLUSION

The more important points to which attention has been directed in this report may be briefly summarized as follows:

1. Losses of the power department and the extent to which sales of power to companies at fixed rates have contributed to this result.
2. Inadequacy to the extent of about 8 % in the charges for power on the Nipissing Section to balance the costs of production and distribution. This is due principally to the rates fixed in the North Bay franchise.
3. The scope of the sinking fund provisions being made and the apparent complications with respect of sinking fund charges to be or not to be made to the municipalities of Bloomfield, Lakefield, Havelock, Peterborough etc.
4. Rights of certain municipalities to acquire their Local Electric Systems, which if exercised, would doubtless result in increasing the operating losses of the System as a whole unless corresponding increases are made in the wholesale rates of power charged municipalities.
5. The amount of intangible values included in capital account and the fact that municipalities having options to purchase Local Electric Systems are not required to pay for any goodwill, franchise rights etc. in connection therewith.
6. Use for a time of Central Ontario System funds for other Systems operated by the Commission.
7. Abnormal profit showing of the Campbellford Pulp Mill in 1920 due to the prices received for pulp in that year.
8. Investment of renewal funds in capital assets.
9. Increasing losses of Peterborough Radial Railway,
10. Improved showing of Gas Works operations.
11. Improvement in showing of Cobourg Water Works operations due to revision of rates upon expiration of franchise in 1919.

Yours very truly,

*Price, Waterhouse & Co.*







CENTRAL ONTARIO SYSTEM

INDEX TO EXHIBITS

| <u>Exhibit<br/>Number</u> | <u>Particulars</u>                                                                                                                                                                                           |
|---------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                           | Balance Sheet and Exhibits relative to Items thereon                                                                                                                                                         |
| I                         | Comparative Balance Sheet for the five years and eight months ending October 31, 1921                                                                                                                        |
| II                        | Statement of changes in Capital Assets from March 1, 1916 to October 31, 1921                                                                                                                                |
| III                       | Statement of amounts due from or to Municipalities receiving power at cost                                                                                                                                   |
| IV                        | Statement of monies advanced by the Province of Ontario from March 1, 1916 to October 31, 1921                                                                                                               |
| V                         | Statement showing analysis of Reserve for Renewals at October 31, 1921.                                                                                                                                      |
| VI                        | Statement showing basis of annual rate of 2.5% (sinking fund method) for the Reserve for Renewals in respect of capital invested in power development, lines and stations, supported by Exhibits VIA and VIB |
|                           | <u>Operating and Deficit Account</u>                                                                                                                                                                         |
| VII                       | Summary of Operating and Deficit Account                                                                                                                                                                     |
| VIII                      | Power Department - Operating Account supported by Exhibit VIIIA                                                                                                                                              |
| IX                        | Local Electric Systems - Operating Account                                                                                                                                                                   |
| X                         | Gas Works - Operating Account                                                                                                                                                                                |
| XI                        | Cobourg Waterworks - Operating Account                                                                                                                                                                       |
| XII                       | Trenton Waterworks - Operating Account                                                                                                                                                                       |
| XIII                      | Peterborough Radial Railway - Operating Account                                                                                                                                                              |
| XIV                       | Campbellford Pulp Mill - Operating Account supported by Exhibit XIVA                                                                                                                                         |
| XV                        | Oshawa Rural Lines - Operating Account                                                                                                                                                                       |
| XVI                       | Nipissing Power Department - Operating Account                                                                                                                                                               |



## INDEX TO EXHIBITS

Exhibit  
Number

Particulars

|                                      |                                                                                                                                                                                                               |
|--------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| I                                    | Comparative Balance Sheet for the five years and eight months ending October 31, 1921                                                                                                                         |
| II                                   | Statement of changes in Capital Assets from March 1, 1918 to October 31, 1921                                                                                                                                 |
| III                                  | Statement of accounts due from or to municipalities receiving power at cost                                                                                                                                   |
| IV                                   | Statement of monies advanced by the Province of Ontario from March 1, 1918 to October 31, 1921                                                                                                                |
| V                                    | Statement showing analysis of Reserve for Renewals at October 31, 1921.                                                                                                                                       |
| VI                                   | Statement showing basis of annual rate of 2.5% (sinking fund method) for the Reserve for Renewals in respect of capital invested in power development, lines and stations, supported by Exhibits VII and VIIA |
| <u>Operating and Deficit Account</u> |                                                                                                                                                                                                               |
| VII                                  | Summary of Operating and Deficit Account                                                                                                                                                                      |
| VIII                                 | Power Department - Operating Account supported by Exhibit VIII                                                                                                                                                |
| IX                                   | Local Electric Systems - Operating Account                                                                                                                                                                    |
| X                                    | Gas Works - Operating Account                                                                                                                                                                                 |
| XI                                   | Cobourg Waterworks - Operating Account                                                                                                                                                                        |
| XII                                  | Trenton Waterworks - Operating Account                                                                                                                                                                        |
| XIII                                 | Peterborough Radial Railway - Operating Account                                                                                                                                                               |
| XIV                                  | Campbellford Pulp Mill - Operating Account supported by Exhibit IXA                                                                                                                                           |
| XV                                   | Oranville Rural Lines - Operating Account                                                                                                                                                                     |
| XVI                                  | Niagara Power Department - Operating Account                                                                                                                                                                  |

Balance Sheet and Exhibits relative to items therein



CENTRAL ONTARIO SYSTEM

INDEX TO EXHIBITS (CONTINUED)

| <u>Exhibit<br/>Number</u> | <u>Particulars</u>                                                                                                                        |
|---------------------------|-------------------------------------------------------------------------------------------------------------------------------------------|
| XVII                      | Nipissing Local Distributing Systems - Operating Account                                                                                  |
| XVIII                     | Nipissing Power and Local Distribution Systems -<br>Operating Account                                                                     |
| XIX                       | Statement showing the analysis of Revenue and of Operating<br>Loss of the Power Department for the three years ending<br>October 31, 1921 |
| XX                        | List of the more important customers receiving electrical<br>energy direct from the Power Department at fixed rates                       |
| XXI                       | Summary of Profit or Loss by Municipalities of the Local<br>Electric Systems and the Gas Works                                            |
| XXII                      | Gas Works - Output and rates charged from March 1, 1916<br>to October 31, 1921                                                            |

CONTRACTS

|        |                                                                                                                                                                                                                                                                                     |
|--------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| XXIII  | Excerpts from agreement dated March 10, 1916, entered into<br>between the Province of Ontario and the Electric Power<br>Company, Limited                                                                                                                                            |
| XXIV   | Excerpts from agreement dated December 15, 1910, entered<br>into between the Seymour Power & Electric Company, Limited,<br>and the Municipal Corporation of Port Hope and assumed by<br>the Province of Ontario in connection with the acquisition<br>of the Central Ontario System |
| XXV    | Excerpts from agreement dated September 6, 1917, entered<br>into between the Hydro-Electric Power Commission of<br>Ontario and the Municipal Corporation of Picton                                                                                                                  |
| XXVI   | Excerpts from agreement dated September 4, 1916, entered<br>into between the Hydro-Electric Power Commission of Ontario<br>and the Municipal Corporation of the City of Kingston                                                                                                    |
| XXVII  | Excerpts from agreement entered into between the Hydro-<br>Electric Power Commission of Ontario and the Municipal<br>Corporation of the Township of East Whitby under the<br>date of September 27, 1917                                                                             |
| XXVIII | Excerpts from agreement entered into between the Hydro-<br>Electric Power Commission of Ontario and the Ontario<br>Rock Company, Limited, under the date of January 3, 1920                                                                                                         |







CENTRAL ONTARIO SYSTEM

INDEX TO EXHIBITS (CONTINUED)

Exhibit  
Number

Particulars

- XXIX Excerpts from agreement dated February 23, 1910, entered into between the Canada Cement Company and Aemelius Jarvis and assumed by the Province of Ontario in connection with the acquisition of the Central Ontario System
- XXX Franchises controlling the operation of Local Electric Systems.







CENTRAL ONTARIO SYSTEM  
- COMPARATIVE BALANCE SHEETS

| ASSETS                                                         | March 1<br>1916 | Year ending     |                 |                 | October 31      |                 |
|----------------------------------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
|                                                                |                 | 1917            | 1918            | 1919            | 1920            | 1921            |
| <b>CAPITAL ASSETS (including "intangible" values):</b>         |                 |                 |                 |                 |                 |                 |
| Central Ontario-                                               |                 |                 |                 |                 |                 |                 |
| Power Development and Hydraulic Rights                         | \$4,062,333.00  | \$4,072,581.22  | \$4,282,077.90  | \$4,391,087.22  | \$4,508,528.73  | \$5,065,976.64  |
| Transformer Stations                                           | 773,832.91      | 839,707.00      | 919,860.85      | 1,033,675.41    | 1,084,472.00    | 1,118,381.09    |
| Transmission Lines                                             | 980,042.00      | 1,301,406.09    | 1,436,658.84    | 1,521,539.31    | 1,714,513.37    | 1,726,421.05    |
| Local Utilities- Electric, Gas, Water and Street Railway       | 1,717,269.00    | 1,858,501.03    | 1,950,018.41    | 2,022,310.16    | 2,199,508.38    | 2,369,495.58    |
| Nipissing-                                                     |                 |                 |                 |                 |                 |                 |
| Power Development and Steam Plant                              | 291,162.00      | 307,158.88      | 314,620.66      | 315,998.33      | 363,297.90      | 419,734.42      |
| Transformer Stations                                           | 30,914.00       | 31,648.08       | 31,826.30       | 35,492.22       | 35,492.22       | 35,492.22       |
| Transmission Lines                                             | 43,322.00       | 43,322.00       | 43,322.00       | 43,322.00       | 43,322.00       | 43,322.00       |
| Local Utilities- Electric                                      | 141,429.00      | 164,436.32      | 167,800.68      | 165,133.03      | 170,678.73      | 184,236.23      |
| Rural Lines                                                    | -               | 10,421.39       | 28,184.19       | 29,672.44       | 30,812.16       | 31,321.96       |
| Pulpmill and Pulpwood Areas                                    | 111,187.00      | 421,905.04      | 439,875.48      | 451,374.04      | 454,227.79      | 509,114.50      |
| Tools and Equipment                                            | 13,510.56       | 15,316.99       | 36,741.96       | 43,201.06       | 50,631.09       | 56,108.25       |
|                                                                | \$8,165,001.47  | \$9,066,404.04  | \$9,650,987.27  | \$10,052,805.22 | \$10,655,484.37 | \$11,559,603.94 |
| <b>CURRENT and WORKING ASSETS:</b>                             |                 |                 |                 |                 |                 |                 |
| Cash in Bank                                                   | \$ -            | -               | -               | \$ 1,702.55     | \$ 4,590.32     | \$ 4,780.95     |
| Investment in Securities, including Accrued Interest           | -               | -               | -               | -               | 20,352.04       | 32,502.71       |
| Accounts Receivable (less Reserve)                             | -               | 181,082.69      | 191,482.45      | 184,505.65      | 222,155.61      | 195,817.51      |
| Advances to Employees                                          | -               | 13,942.24       | -               | -               | -               | -               |
| Hydro-Electric Power Commission of Ontario                     | -               | 583,131.48      | 683,177.27      | 1,384,767.47    | 1,719,472.22    | -               |
| Advances on Contracts for Pulpwood                             | -               | -               | 9,221.90        | 10,665.71       | 11,904.42       | 3,521.15        |
| Materials and Supplies                                         | 184,998.53      | 315,899.36      | 372,952.93      | 364,060.18      | 380,749.49      | 444,695.53      |
|                                                                | \$ 184,998.53   | \$1,094,055.77  | \$1,256,834.55  | \$ 1,945,721.56 | \$ 2,359,224.10 | \$ 681,317.85   |
| <b>DEFERRED DEBITS:-</b>                                       |                 |                 |                 |                 |                 |                 |
| Expenses and Insurance Prepaid                                 | \$ -            | \$ 1,821.73     | \$ 2,460.15     | \$ 2,544.26     | \$ 8,116.89     | \$ 6,007.25     |
| Deferred Expenses re operation of Pulp Mill and Pulpwood Areas | -               | -               | 17,270.61       | 14,729.92       | -               | -               |
| Work in Progress (Re-insulation, etc.)                         | -               | -               | -               | 123,443.61      | -               | -               |
| Deferred Maintenance, re Insulation of Transmission Lines      | -               | -               | -               | -               | 54,123.85       | 42,838.87       |
|                                                                | \$ -            | \$ 1,821.73     | \$ 19,730.76    | \$ 140,717.79   | \$ 62,240.74    | \$ 48,846.12    |
| <b>Total</b>                                                   | \$ -            | \$10,162,281.54 | \$10,927,552.58 | \$12,139,244.57 | \$13,076,949.21 | \$12,289,767.91 |
| <b>OPERATING DEFICIT</b>                                       | \$ -            | \$ 24,218.75    | \$ 7,718.70     | \$ 191,389.34   | \$ 167,530.90   | \$ 168,930.15   |
|                                                                | \$8,350,000.00  | \$10,186,500.29 | \$10,935,271.28 | \$12,330,633.91 | \$13,244,480.11 | \$12,458,698.06 |



| March 1<br>1918 | ASSETS                                                   | CAPITAL ASSETS (including "intangible" values):          |
|-----------------|----------------------------------------------------------|----------------------------------------------------------|
| \$4,062,333.00  | Power Development and Hydraulic Rights                   | Central Ontario-                                         |
| 775,332.91      | Transformer Stations                                     | Power Development and Hydraulic Rights                   |
| 980,043.00      | Transmission Lines                                       | Transformer Stations                                     |
| 1,717,269.00    | Local Utilities- Electric, Gas, Water and Street Railway | Transmission Lines                                       |
| 231,162.00      | Power Development and Steam Plant                        | Local Utilities- Electric, Gas, Water and Street Railway |
| 30,516.00       | Transformer Stations                                     | Power Development and Steam Plant                        |
| 48,322.00       | Transmission Lines                                       | Transformer Stations                                     |
| 141,433.00      | Local Utilities- Electric                                | Transmission Lines                                       |
| 111,127.00      | Rural Lines                                              | Local Utilities- Electric                                |
| 18,210.38       | Pulpmill and Pulpwood Areas                              | Rural Lines                                              |
| 30,123,001.47   | Tools and Equipment                                      | Pulpmill and Pulpwood Areas                              |
| -               | CURRENT and WORKING ASSETS:                              | Tools and Equipment                                      |
| -               | Cash in Bank                                             | CURRENT and WORKING ASSETS:                              |
| -               | Investment in Securities, including                      | Cash in Bank                                             |
| -               | Accrued Interest                                         | Investment in Securities, including                      |
| -               | Accounts Receivable (less Reserve)                       | Accrued Interest                                         |
| -               | Advances to Employees                                    | Accounts Receivable (less Reserve)                       |
| -               | Hydro-Electric Power Commission of Ontario               | Advances to Employees                                    |
| 184,933.33      | Advances on Contracts for Pulpwood                       | Hydro-Electric Power Commission of Ontario               |
| 184,933.33      | Materials and Supplies                                   | Advances on Contracts for Pulpwood                       |
| 184,933.33      | Total                                                    | Materials and Supplies                                   |
| -               | DEFERRED DEBITS:                                         | Total                                                    |
| -               | Expenses and Insurance Premiums                          | DEFERRED DEBITS:                                         |
| -               | Deferred Expenses re operation of Pulp                   | Expenses and Insurance Premiums                          |
| -               | Mill and Pulpwood Areas                                  | Deferred Expenses re operation of Pulp                   |
| -               | Work in Progress (re-insulation, etc.)                   | Mill and Pulpwood Areas                                  |
| -               | Deferred Maintenance, re insulation of                   | Work in Progress (re-insulation, etc.)                   |
| -               | Transmission Lines                                       | Deferred Maintenance, re insulation of                   |
| -               | Total                                                    | Transmission Lines                                       |
| -               | OPERATING DEFICIT                                        | Total                                                    |
| \$8,330,000.00  | Total                                                    | OPERATING DEFICIT                                        |



CENTRAL ONTARIO SYSTEM  
COMPARATIVE BALANCE SHEETS

| LIABILITIES                                                                                                  | March 1<br>1916 | Year ending     |                 |                 | October 31      |                 |
|--------------------------------------------------------------------------------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
|                                                                                                              |                 | 1917            | 1918            | 1919            | 1920            | 1921            |
| <b>PROVINCIAL TREASURER (ONTARIO):</b>                                                                       |                 |                 |                 |                 |                 |                 |
| Purchase Price of System paid by the Province                                                                | \$ 8,350,000.00 | \$ 8,350,000.00 | \$ 8,350,000.00 | \$ 8,350,000.00 | \$ 8,350,000.00 | \$ 8,350,000.00 |
| Cash Advances by the Province                                                                                | -               | 1,325,000.00    | 1,893,185.00    | 3,068,185.00    | 3,598,185.00    | * 2,698,712.78  |
| Debentures (5% due 1927) issued by the Province in connection with purchase of Bruton Township pulpwood area | -               | 225,000.00      | 225,000.00      | 225,000.00      | 225,000.00      | 225,000.00      |
|                                                                                                              | \$ 8,350,000.00 | \$ 9,900,000.00 | \$10,468,185.00 | \$11,643,185.00 | \$12,173,185.00 | \$11,273,712.78 |
| <b>CURRENT and ACCRUED LIABILITIES:</b>                                                                      |                 |                 |                 |                 |                 |                 |
| Accounts Payable and Accrued Expenses                                                                        | \$ -            | \$ 23,638.99    | \$ 39,808.80    | \$ 54,885.04    | \$ 217,458.25   | \$ 64,447.85    |
| Hydro-Electric Power Commission of Ontario - Current Account                                                 | -               | -               | -               | -               | -               | 18,638.43       |
| Due Municipalities (paid in excess of Power Cost)                                                            | -               | -               | -               | 810.91          | -               | 7,180.07        |
| Consumers' Deposits                                                                                          | -               | 3,592.06        | 3,056.78        | 4,651.39        | 7,146.85        | 10,734.26       |
| Unearned Water Rates                                                                                         | -               | -               | 2,022.94        | 2,074.28        | 2,200.00        | 2,940.00        |
|                                                                                                              | \$ -            | \$ 27,231.05    | \$ 44,888.52    | \$ 62,421.62    | \$ 226,805.10   | \$ 103,940.61   |
| <b>RESERVES:</b>                                                                                             |                 |                 |                 |                 |                 |                 |
| For Renewals                                                                                                 | \$ -            | \$ 253,283.74   | \$ 412,274.54   | \$ 605,158.93   | \$ 812,509.75   | \$ 1,044,426.52 |
| For Sinking Fund                                                                                             | -               | -               | 7,611.56        | 14,182.09       | 21,216.36       | 28,665.54       |
| For Contingencies                                                                                            | -               | 5,985.50        | 2,311.66        | 5,686.27        | 10,763.90       | 7,952.61        |
|                                                                                                              | \$ -            | \$ 259,269.24   | \$ 422,197.76   | \$ 625,027.29   | \$ 844,490.01   | \$ 1,081,044.67 |
|                                                                                                              | \$ 8,350,000.00 | \$10,186,500.29 | \$10,935,271.28 | \$12,330,633.91 | \$13,244,480.11 | \$12,458,698.06 |

## NOTE:

Cash Advances of \$1,719,472.22 were refunded to the Provincial Treasurer in 1921, and this sum represented the excess of cash advances by the Province over capital expenditure made on the System up to October 31, 1920.



| 1931                                                                                                             |    | 1932          |    | March 1<br>1932 |    |
|------------------------------------------------------------------------------------------------------------------|----|---------------|----|-----------------|----|
| LIABILITIES                                                                                                      |    |               |    |                 |    |
| PROVINCIAL TREASURER (ONTARIO):                                                                                  |    |               |    |                 |    |
| Purchase Price of System paid by the Province                                                                    |    |               |    |                 |    |
| Cash Advances by the Province                                                                                    |    |               |    |                 |    |
| Debitures (Bills due 1932) issued by the Province in connection with purchase of Kingston Township pulpwood area |    |               |    |                 |    |
| 27,217,222.11                                                                                                    | \$ | 27,217,222.11 | \$ | 27,217,222.11   | \$ |
| CURRENT and ACCRUED LIABILITIES:                                                                                 |    |               |    |                 |    |
| Accounts Payable and Accrued Expenses                                                                            |    |               |    |                 |    |
| Hydro-Electric Power Commission of Ontario - Current Account                                                     |    |               |    |                 |    |
| The Municipality (paid in excess of Power Cost)                                                                  |    |               |    |                 |    |
| Consumer's Deposits                                                                                              |    |               |    |                 |    |
| Unsettled Water Rates                                                                                            |    |               |    |                 |    |
| 17,042,221                                                                                                       | \$ | 17,042,221    | \$ | 17,042,221      | \$ |
| RESERVES:                                                                                                        |    |               |    |                 |    |
| For Renewals                                                                                                     |    |               |    |                 |    |
| For Working Fund                                                                                                 |    |               |    |                 |    |
| For Contingencies                                                                                                |    |               |    |                 |    |
| 10,000,000.00                                                                                                    | \$ | 10,000,000.00 | \$ | 10,000,000.00   | \$ |
| 37,259,443.11                                                                                                    | \$ | 37,259,443.11 | \$ | 37,259,443.11   | \$ |

NOTE: Cash Advances of \$1,713,472.22 were refunded to the Provincial Treasurer in 1931, and this sum represented the excess of cash advances by the Province over capital expenditure made on the System up to October 31, 1930.



CENTRAL ONTARIO SYSTEM

*Exhibit II* — STATEMENT OF CHANGES IN CAPITAL ASSETS  
FROM MARCH 1, 1916 to OCTOBER 31, 1921

Power Development and Hydraulic Rights:

|                                                                                                                            |             |                       |                |
|----------------------------------------------------------------------------------------------------------------------------|-------------|-----------------------|----------------|
| Cost of additional unit at Healy Falls                                                                                     | \$          | 442,454.35            |                |
| Expenditures to October 31, 1921, in connection with developing water power and constructing power house at Ranney's Falls |             | 674,870.59            |                |
| Transformers, switches, operators' houses, miscellaneous electrical equipment, etc. for generating stations                |             | 56,488.94             |                |
|                                                                                                                            |             | <u>\$1,173,813.88</u> |                |
| Less- Belleville Steam Plant transferred to transformer stations                                                           | \$51,199.00 |                       |                |
| Equipment transferred from Otonabee to Oshawa condenser station and to Nipigon                                             | 16,138.75   |                       |                |
| Oshawa Standby Station transferred to transformer stations                                                                 | 30,940.75   |                       |                |
| Sale of Diesel Engine at Oshawa Standby Station, Napanee River properties and Smith Mill                                   | 71,891.74   | 170,170.24            | \$1,003,643.64 |

Transformer Stations:

|                                                                                                                                                                                                    |    |                  |            |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----|------------------|------------|
| Additional and new equipment, etc. for transformer stations, new transformer stations at Lakefield, Marmora, Norwood, Omeme, Picton, Wellington, operators' houses and Belleville Service Building | \$ | 262,408.43       |            |
| Transferred from Power Development and Hydraulic Rights                                                                                                                                            |    |                  |            |
| Belleville Steam Plant                                                                                                                                                                             |    | 51,199.00        |            |
| Oshawa Standby Station                                                                                                                                                                             |    | <u>30,940.75</u> | 344,548.18 |

Transmission Lines:

|                                                                         |    |                  |                   |
|-------------------------------------------------------------------------|----|------------------|-------------------|
| Cost of constructing new transmission Lines                             | \$ | 652,012.28       |                   |
| Cost of re-insulating transmission lines, miscellaneous equipment, etc. |    | <u>94,366.77</u> | <u>746,379.05</u> |

Carried Forward \$2,094,570.87







CENTRAL ONTARIO SYSTEMSTATEMENT OF CHANGES IN CAPITAL ASSETSFROM MARCH 1, 1916 TO OCTOBER 31, 1921

Brought Forward

\$2,094,570.87

## Local Utilities, Electric, Gas, Water and Railway:

## Extension of and new equipment for-

|                             |    |            |  |
|-----------------------------|----|------------|--|
| Local Electric Systems      | \$ | 337,229.94 |  |
| Gas Systems                 |    | 233,531.97 |  |
| Water Works                 |    | 71,838.27  |  |
| Peterborough Radial Railway |    | 45,135.62  |  |
| Uncompleted construction    |    | 1,052.95   |  |
|                             | \$ | 688,788.75 |  |

Less- Sale of Trenton Water Works \$27,438.17

Sale of Peterborough Local

Electric System to the

City of Peterborough

9,124.0036,562.17

652,226.58

## Nipissing Power Developments:

Storage dams, reconstructing turbine and  
cost of replacing one generator at Nipis-  
sing Power House including step-up trans-  
formers

128,572.42

Nipissing System transformer stations

4,578.22

Extension of and additional equipment for  
Nipissing Local Systems

42,807.23

Cost of constructing Oshawa Rural Lines

31,321.96

## Bruton Township Limits:

Purchase price of Bruton Township Limits  
pulpwood and timber lands

300,000.00

Purchase price of and additional equipment  
for the Bancroft Barking Mill

63,212.67

River Improvements, floating equipment, etc.

24,226.21

Hydraulic Press, saws and miscellaneous  
equipment for Campbellford Pulp Mill10,488.62

397,927.50

Tools and equipment

42,597.69T o t a l\$3,394,602.47







## CENTRAL ONTARIO SYSTEM

STATEMENT OF AMOUNT DUE FROM OR TO MUNICIPALITIES  
RECEIVING POWER AT COST

| Municipality         | Date<br>Commenced<br>Operating | Annual Adjustment |             |           | Interest<br>Charged<br>or<br>Credited | Balance October 31, 1921 |            |
|----------------------|--------------------------------|-------------------|-------------|-----------|---------------------------------------|--------------------------|------------|
|                      |                                | 1919              | 1920        | 1921      |                                       | Debit                    | Credit     |
| Bloomfield           | April 1919                     | \$ 548.17         | \$ 307.73   | \$ 216.35 | \$ 57.04                              | \$ 1,129.29              | \$ -       |
| Havelock             | February 1921                  | -                 | -           | 231.32    | -                                     | -                        | 231.32     |
| Lakefield            | August 1920                    | -                 | 212.03      | 879.58    | 8.48                                  | 1,100.09                 | -          |
| Marmora              | January 1921                   | -                 | -           | 843.42    | -                                     | -                        | 843.42     |
| Norwood              | February 1921                  | -                 | 11.36       | 132.77    | .45                                   | -                        | 120.96     |
| Peterborough         | March 1916                     | 20,071.16         | 19,108.23   | 925.13    | 2,402.13                              | 40,656.39                | -          |
| Picton               | April 1919                     | 1,890.94          | 4,278.78    | 3,579.66  | 16.87                                 | -                        | 5,984.37   |
| Wellington           | April 1919                     | 619.68            | 34.13       | 262.48    | 49.20                                 | 372.27                   | -          |
| Whitby               | March 1916                     | 3,873.98          | 1,051.24    | 474.97    | 358.17                                | 4,808.42                 | -          |
|                      |                                | \$27,003.93       | \$16,377.68 | 5,353.82  | \$ 2,858.60                           | \$48,066.46              | \$7,180.07 |
| Oshawa Rural<br>Line | April 1918                     | \$ 5,229.90       | 3,116.55    | 2,022.01  | 530.63                                | 10,899.09                | -          |
|                      |                                |                   |             |           |                                       | \$58,965.55              | \$7,180.07 |







## CENTRAL ONTARIO SYSTEM

## STATEMENT OF MONIES ADVANCED BY THE PROVINCE OF ONTARIO

FROM MARCH 1, 1916 TO OCTOBER 31, 1921

| Year<br>Ending<br>Oct.31              | Amounts<br>Appropriated<br>by the<br>Province | Advances by Province including bonds issued<br>in connection with the purchase of the Bru-<br>ton Township Pulpwood Areas |                              |                | Deductions                                                    |                                                               | Balance<br>Applicable<br>to Capital<br>Expenditures | Capital<br>Expenditures | Over-<br>Expended | Un-<br>Expended |
|---------------------------------------|-----------------------------------------------|---------------------------------------------------------------------------------------------------------------------------|------------------------------|----------------|---------------------------------------------------------------|---------------------------------------------------------------|-----------------------------------------------------|-------------------------|-------------------|-----------------|
|                                       |                                               | Under<br>Appropriation                                                                                                    | Under<br>Special<br>Warrants | Total          | Amounts used<br>by the<br>Commission<br>for other<br>purposes | Amounts<br>Advanced<br>Specifically<br>for working<br>Capital |                                                     |                         |                   |                 |
| From March 1,<br>1916 to Oct.31, 1917 | \$1,845,000.00                                | \$1,300,000.00                                                                                                            | *\$ 250,000.00               | \$1,550,000.00 | \$ 583,131.48                                                 | \$296,550.00                                                  | \$ 670,318.52                                       | \$ 901,402.57           | \$ 231,084.05     | \$              |
| 1918                                  | 648,185.00                                    | 448,185.00                                                                                                                | 120,000.00                   | 568,185.00     | 100,045.79                                                    | -                                                             | 468,139.21                                          | 584,583.23              | 116,444.02        |                 |
| 1919                                  | 1,175,000.00                                  | 895,000.00                                                                                                                | 280,000.00                   | 1,175,000.00   | 701,610.20                                                    | -                                                             | 473,389.80                                          | 401,617.95              | -                 | 71,571.85       |
| 1920                                  | 925,000.00                                    | 230,000.00                                                                                                                | 300,000.00                   | 530,000.00     | 334,684.75                                                    | -                                                             | 195,315.25                                          | 602,679.15              | 407,363.90        |                 |
| 1921                                  | 1,361,000.00                                  | 793,000.00                                                                                                                | 27,000.00                    | 820,000.00     | -                                                             | -                                                             | 820,000.00                                          | 904,119.57              | 84,119.57         |                 |
| Total                                 | \$5,954,185.00                                | \$3,666,185.00                                                                                                            | \$ 977,000.00                | \$4,643,185.00 | \$1,719,472.22                                                | \$296,550.00                                                  | \$2,627,162.78                                      | \$3,394,602.47          | \$ 839,011.54     | \$71,571.85     |

\* Includes \$225,000 of debentures issued by the Province in connection with the purchase of the Bruton Township Pulpwood Areas the total purchase price of which was \$300,000.







## CENTRAL ONTARIO SYSTEM

## STATEMENT SHOWING ANALYSIS OF RESERVE FOR RENEWALS AT OCTOBER 31, 1921

| Particulars                                                                        | Amounts Provided                |                               |            |            |            | Together     | Add Interest<br>at 4% | Together     | Deduct<br>Charges | Balance      |
|------------------------------------------------------------------------------------|---------------------------------|-------------------------------|------------|------------|------------|--------------|-----------------------|--------------|-------------------|--------------|
|                                                                                    | Mar.1-1916<br>to<br>Oct.31,1917 | Fiscal year ending October 31 |            |            |            |              |                       |              |                   |              |
|                                                                                    | 1918                            | 1919                          | 1920       | 1921       |            |              |                       |              |                   |              |
| Power Department                                                                   | \$140,994.93                    | 54,999.68                     | 107,124.12 | 114,903.09 | 119,599.44 | 577,621.26   | 46,724.32             | 624,345.58   | 35,525.56         | 588,820.02   |
| Local Electric Systems                                                             | 46,333.81                       | 24,604.97                     | 26,319.98  | 28,746.03  | 32,240.16  | 158,244.95   | 14,110.20             | 172,355.15   | 1,654.70          | 170,700.45   |
| Gas Works                                                                          | 18,694.97                       | 13,559.51                     | 15,472.30  | 16,478.52  | 18,105.16  | 82,310.46    | 6,783.23              | 89,093.69    | 438.96            | 88,654.73    |
| Cobourg Waterworks                                                                 | 9,466.77                        | 7,201.79                      | 7,189.40   | 7,114.22   | 7,765.19   | 38,737.37    | 3,324.75              | 42,062.12    | 430.36            | 41,631.76    |
| Trenton Waterworks                                                                 | 1,089.73                        | 761.85                        | 135.39     | -          | -          | 1,986.97     | 119.39                | 2,106.36     | 2,106.36          | -            |
| Peterborough Radial Railway                                                        | 12,658.26                       | 8,291.30                      | 8,708.08   | 8,774.37   | 9,611.69   | 48,043.70    | 4,088.21              | 52,131.91    | 2,111.91          | 50,020.00    |
| Campbellford Pulp Mill                                                             | 5,696.51                        | 3,753.77                      | 3,492.79   | 3,511.62   | 3,506.44   | 19,961.13    | 1,806.63              | 21,767.76    | 686.16            | 21,081.60    |
| Oshawa Rural Lines                                                                 | -                               | -                             | -          | *4,078.34  | 1,978.15   | 6,056.49     | 252.93                | 6,309.42     | -                 | 6,309.42     |
| Nipissing Power Department                                                         | 11,303.86                       | 7,682.35                      | 7,860.98   | 8,139.68   | 9,333.69   | 44,320.56    | 3,730.80              | 48,051.36    | 925.29            | 47,126.07    |
| Nipissing Local Distribut-<br>ing System                                           | 7,044.90                        | 5,183.28                      | 5,105.03   | 4,980.43   | 5,197.93   | 27,511.57    | 2,393.29              | 29,904.86    | 813.01            | 29,091.85    |
| Service Building (prior to<br>fiscal year 1921, includ-<br>ed in Power Department) | -                               | -                             | -          | -          | 990.62     | 990.62       | -                     | 990.62       | -                 | 990.62       |
| Totals                                                                             | \$253,283.74                    | 166,038.50                    | 181,408.07 | 196,726.30 | 208,328.47 | 1,005,785.08 | 83,333.75             | 1,089,118.83 | 44,692.31         | 1,044,426.52 |
|                                                                                    | 5-                              | 5-                            | 5-         | 5-         | 5-         | 5 1/2        | 4 1/2                 | 5 1/2        | 4 1/2             | 6 1/2        |

\* Includes provisions for fiscal year ending October 31, 1918 and 1919, amounting to \$2,158.88



STATEMENT SHOWING ANALYSIS OF REVENUE

| Particulars                                                                | Amounts       |                                     |            | Mar. 1-1918 |
|----------------------------------------------------------------------------|---------------|-------------------------------------|------------|-------------|
|                                                                            | Oct. 31, 1917 | Fiscal Year ending October 31, 1918 | 1920       |             |
| Power Department                                                           | 11,308.80     | 10,922.68                           | 11,490.00  |             |
| Local Electric Systems                                                     | 46,533.91     | 46,504.97                           | 46,746.03  |             |
| Gas Works                                                                  | 18,694.77     | 18,559.51                           | 18,478.82  |             |
| Coburn Waterworks                                                          | 468.77        | 470.77                              | 471.42     |             |
| Trenton Waterworks                                                         | 1,089.75      | 761.88                              | -          |             |
| Peterborough Railroad                                                      | 12,638.26     | 12,391.30                           | 12,774.37  |             |
| Campbellford Pulp Mill                                                     | 6,696.81      | 6,753.77                            | 6,811.61   |             |
| Oranwa Rural Lines                                                         | -             | -                                   | 4,078.34   |             |
| Nipissing Power Department                                                 | 11,308.80     | 10,922.68                           | 11,490.00  |             |
| Nipissing Local Distribution System                                        | 46,533.91     | 46,504.97                           | 46,746.03  |             |
| Service Building (prior to Fiscal Year 1921, included in Power Department) | -             | -                                   | -          |             |
| Totals                                                                     | 113,487.45    | 113,487.45                          | 113,487.45 |             |

\* Includes provisions for fiscal year ending



## CENTRAL ONTARIO SYSTEM

STATEMENT SHOWING BASIS OF ANNUAL RATE OF 2.5 %  
(SINKING FUND METHOD) FOR RESERVE FOR RENEWALS IN  
RESPECT OF CAPITAL INVESTED IN POWER DEVELOPMENT.

LINE AND STATIONS  
(Supported by Exhibits VI-a and VI-b)

| Particulars                      | Estimated<br>Replacement<br>values<br>Determined<br>in 1914 | Estimated<br>Residual<br>Values | Reserve to be provided |                     |                              |
|----------------------------------|-------------------------------------------------------------|---------------------------------|------------------------|---------------------|------------------------------|
|                                  |                                                             |                                 | Total<br>Amount        | Annual<br>Provision | % of<br>Replacement<br>Value |
| <u>EXHIBIT VIA-</u>              |                                                             |                                 |                        |                     |                              |
| Distributing Stations            | \$ 635,483.00                                               | \$ 100,019.00                   | \$ 535,464.00          | \$ 19,045.47        | 2.997                        |
| Wood Pole Lines                  | 760,093.00                                                  | 239,488.00                      | 520,605.00             | 26,276.78           | 3.457                        |
| Auburn Power Development         | 275,000.00                                                  | 43,116.00                       | 231,884.00             | 4,628.72            | 1.683                        |
| Healey Falls Development         | 714,210.00                                                  | 192,733.00                      | 521,477.00             | 13,420.43           | 1.879                        |
| Oshawa Gas Standby               | 94,450.00                                                   | 8,635.00                        | 85,815.00              | 2,526.22            | 2.674                        |
| <u>EXHIBIT VI-b</u>              |                                                             |                                 |                        |                     |                              |
| Fenelon Falls Development        | 64,861.00                                                   | 28,110.00                       | 36,751.00              | 1,504.94            | 2.32                         |
| Dam No.2 Development             | 219,190.00                                                  | 32,669.00                       | 186,521.00             | 6,021.26            | 2.747                        |
| Dam No.5 Development             | 244,096.00                                                  | 31,895.00                       | 212,201.00             | 6,485.23            | 2.653                        |
| Dam No.11 Development            | 287,219.00                                                  | 41,426.00                       | 245,793.00             | 7,272.33            | 2.532                        |
| Construction Material, etc.      | 23,087.00                                                   | 2,309.00                        | 20,778.00              | 1,730.64            | 7.496                        |
| Together                         | \$3,317,689.00                                              | \$ 720,400.00                   | \$2,597,289.00         | \$ 88,912.02        | -                            |
| <u>OTHER PROPERTIES *</u>        |                                                             |                                 |                        |                     |                              |
| Miscellaneous Real Estate, etc.  | \$ 59,796.00                                                | \$ 59,796.00                    | -                      | -                   | -                            |
| Port Hope old Generating Station | 12,547.00                                                   | 12,547.00                       | -                      | -                   | -                            |
| Newburg and Napanee Plant        | 53,128.00                                                   | 53,128.00                       | -                      | -                   | -                            |
| Tweed old Generating Station     | 4,675.00                                                    | 4,675.00                        | -                      | -                   | -                            |
| Otonabee Power Development       | 55,353.00                                                   | 55,353.00                       | -                      | -                   | -                            |
| Plant at Trenton Dam No.1        | 22,068.00                                                   | 22,068.00                       | -                      | -                   | -                            |
| Belleville Steam Plant           | 18,815.00                                                   | 18,815.00                       | -                      | -                   | -                            |
| Smith Mill Campbellford          | 10,000.00                                                   | 10,000.00                       | -                      | -                   | -                            |
| Together                         | \$ 236,382.00                                               | \$ 236,382.00                   | -                      | -                   | -                            |
| Totals                           | \$3,554,071.00                                              | \$ 956,782.00                   | \$2,597,289.00         | \$ 88,912.02        | 2.5014                       |

\* Represent non-depreciable properties, old  
plants, etc.



STATEMENT SHOWING BASIS OF  
(SINKING FUND METHOD) FOR  
RESPECT OF CAPITAL INVEST  
LIVING AND  
(Supported by Exhibit)

| Estimated<br>Replacement<br>Values<br>Determined<br>in 1914 | Particulars                      | Estimated<br>Replacement<br>Values<br>Determined<br>in 1914 |
|-------------------------------------------------------------|----------------------------------|-------------------------------------------------------------|
| <b>EXHIBIT VI-A</b>                                         |                                  |                                                             |
| 633,483.00                                                  | Distributing Stations            | 633,483.00                                                  |
| 730,000.00                                                  | Wood Pole Lines                  | 730,000.00                                                  |
| 275,000.00                                                  | Auburn Power Development         | 275,000.00                                                  |
| 714,310.00                                                  | Bealey Falls Development         | 714,310.00                                                  |
| 24,480.00                                                   | Gahawa Gas Standby               | 24,480.00                                                   |
| <b>EXHIBIT VI-B</b>                                         |                                  |                                                             |
| 64,861.00                                                   | Tonolow Falls Development        | 64,861.00                                                   |
| 218,100.00                                                  | Dam No. 2 Development            | 218,100.00                                                  |
| 244,000.00                                                  | Dam No. 3 Development            | 244,000.00                                                  |
| 287,310.00                                                  | Dam No. 11 Development           | 287,310.00                                                  |
| 23,267.00                                                   | Construction Material, etc.      | 23,267.00                                                   |
| 62,317,680.00                                               | Together                         | 62,317,680.00                                               |
| <b>OTHER PROPERTIES *</b>                                   |                                  |                                                             |
| 59,790.00                                                   | Miscellaneous Real Estate, etc.  | 59,790.00                                                   |
| 12,347.00                                                   | Port Hope old Generating Station | 12,347.00                                                   |
| 55,120.00                                                   | Newburg and Wapona Plant         | 55,120.00                                                   |
| 4,075.00                                                    | Tweed old Generating Station     | 4,075.00                                                    |
| 55,382.00                                                   | Otonabee Power Development       | 55,382.00                                                   |
| 22,000.00                                                   | Plant at Trenton Dam No. 1       | 22,000.00                                                   |
| 18,310.00                                                   | Belleville Steam Plant           | 18,310.00                                                   |
| 10,000.00                                                   | Smith Mill Campbellford          | 10,000.00                                                   |
| 236,382.00                                                  | Together                         | 236,382.00                                                  |
| 63,554,071.00                                               | Totals                           | 63,554,071.00                                               |

\* Represent non-depreciable properties, old plants, etc.



## CENTRAL ONTARIO SYSTEM

STATEMENT SHOWING AMOUNT OF ANNUAL PROVISIONS REQUIRED TO REPLACE CERTAIN  
PROPERTIES AT END OF ESTIMATED LIFE ON SINKING FUND BASIS OF 4%

| Classification                   | Estimated Replacement Values in 1914 | Years in Service to March 1, 1916 | Estimated Life (in years) | Estimated Residual Values |              | Reserve to be provided |                                       |                        |
|----------------------------------|--------------------------------------|-----------------------------------|---------------------------|---------------------------|--------------|------------------------|---------------------------------------|------------------------|
|                                  |                                      |                                   |                           | % of Replacement Values   | Amount       | Total Amount           | Annual Provision (Sinking Fund Basis) |                        |
|                                  |                                      |                                   |                           |                           |              |                        | Annual Provision                      | % of Replacement Value |
| <b>DISTRIBUTING STATIONS:</b>    |                                      |                                   |                           |                           |              |                        |                                       |                        |
| Real Estate                      | \$ 8,053.00                          |                                   | -                         | 100                       | \$ 8,053.00  | \$ -                   | \$ -                                  |                        |
| Buildings                        | 194,378.00                           |                                   | 30                        | 4                         | 7,775.00     | 186,603.00             | 3,327.13                              |                        |
| Mechanical Equipment             | 24,193.00                            |                                   | 20                        | 10                        | 2,419.00     | 21,774.00              | 731.21                                |                        |
| Electrical Equipment             | 408,859.00                           |                                   | 16                        | 20                        | 81,772.00    | 327,087.00             | 14,987.13                             |                        |
| Together                         | \$635,483.00                         | 5                                 | -                         | -                         | 100,019.00   | 535,464.00             | 19,045.47                             | 2.997                  |
| <b>WOOD POLE LINES:</b>          |                                      |                                   |                           |                           |              |                        |                                       |                        |
| Right-of-Way                     | \$ 30,233.00                         |                                   | -                         | 100                       | \$ 30,233.00 | \$ -                   | \$ -                                  |                        |
| Pole Line                        | 381,101.00                           |                                   | 12                        | -                         | -            | 381,101.00             | 25,363.03                             |                        |
| Cable                            | 348,759.00                           |                                   | 50                        | 60                        | 209,255.00   | 139,504.00             | 913.75                                |                        |
| Together                         | \$760,093.00                         | 5                                 | -                         | -                         | 239,488.00   | 520,605.00             | 26,276.78                             | 3.457                  |
| <b>AUBURN POWER DEVELOPMENT:</b> |                                      |                                   |                           |                           |              |                        |                                       |                        |
| Real Estate and Unwatering       | \$ 29,566.00                         |                                   | -                         | 100                       | \$ 29,566.00 | \$ -                   | \$ -                                  |                        |
| Power-house Substructure         | 93,294.00                            |                                   | 40                        | -                         | -            | 93,294.00              | 981.73                                |                        |
| Power-house Superstructure       | 24,129.00                            |                                   | 40                        | 7                         | 1,689.00     | 22,440.00              | 236.14                                |                        |
| Dam (Concrete and Steel)         | 41,374.00                            |                                   | 50                        | -                         | -            | 41,374.00              | 271.00                                |                        |
| Hydraulic Equipment (Turbines)   | 23,139.00                            |                                   | 17                        | 5                         | 1,157.00     | 21,982.00              | 927.62                                |                        |
| Stop Logs, Timber, etc.          | 7,533.00                             |                                   | 20                        | 5                         | 377.00       | 7,156.00               | 240.31                                |                        |
| Steel Head - gate and motor      | 2,571.00                             |                                   | 30                        | 5                         | 129.00       | 2,442.00               | 43.54                                 |                        |
| Miscellaneous Equipment          | 212.00                               |                                   | 20                        | -                         | -            | 212.00                 | 7.12                                  |                        |
| Electrical Equipment             | 48,890.00                            |                                   | 16                        | 20                        | 9,760.00     | 39,040.00              | 1,788.81                              |                        |
| Mechanical Equipment             | 4,382.00                             |                                   | 20                        | 10                        | 438.00       | 3,944.00               | 132.45                                |                        |
| Together                         | \$275,000.00                         | 5                                 | -                         | -                         | \$ 43,116.00 | \$231,884.00           | \$ 4,628.72                           | 1.683                  |
| <b>HEALEY FALLS PLANT:</b>       |                                      |                                   |                           |                           |              |                        |                                       |                        |
| Real Estate                      | \$ 7,175.00                          |                                   | -                         | 100                       | \$ 7,175.00  | \$ -                   | \$ -                                  |                        |
| Power-house Substructure         | 67,011.00                            |                                   | 40                        | -                         | -            | 67,011.00              | 705.16                                |                        |
| Power-house Superstructure       | 64,659.00                            |                                   | 40                        | 7                         | 4,528.00     | 60,133.00              | 632.78                                |                        |
| Excavation and Unwatering        | 134,241.00                           |                                   | -                         | 100                       | 134,241.00   | -                      | -                                     |                        |
| Concrete                         | 60,302.00                            |                                   | 100                       | -                         | -            | 60,302.00              | 48.72                                 |                        |
| Structural Steel and Plate       | 11,064.00                            |                                   | 40                        | 10                        | 1,106.00     | 9,958.00               | 104.79                                |                        |
| Frame housing                    | 13,367.00                            |                                   | 20                        | -                         | -            | 13,367.00              | 448.89                                |                        |
| Stop Logs- Crib-work, etc.       | 22,377.00                            |                                   | 20                        | 5                         | 1,119.00     | 21,258.00              | 713.89                                |                        |
| Rock Fill in Crib-work           | 2,218.00                             |                                   | 20                        | 5                         | 111.00       | 2,107.00               | 70.76                                 |                        |
| Valves                           | 19,184.00                            |                                   | 15                        | 10                        | 1,918.00     | 17,266.00              | 862.28                                |                        |
| Steel Plate in Pipe Line         | 54,459.00                            |                                   | 40                        | 10                        | 5,446.00     | 49,013.00              | 515.76                                |                        |
| Turbines, etc.                   | 71,028.00                            |                                   | 17                        | 5                         | 3,551.00     | 67,477.00              | 2,847.46                              |                        |
| Other buildings and residences   | 15,082.00                            |                                   | 30                        | 4                         | 603.00       | 14,479.00              | 258.16                                |                        |
| Electrical Equipment             | 157,330.00                           |                                   | 16                        | 20                        | 31,466.00    | 125,864.00             | 5,767.09                              |                        |
| Mechanical Equipment             | 14,713.00                            |                                   | 20                        | 10                        | 1,471.00     | 13,242.00              | 444.69                                |                        |
| Together                         | \$714,210.00                         | 2                                 | -                         | -                         | \$192,733.00 | \$521,477.00           | \$ 13,420.43                          | 1.879                  |
| <b>OSKAWA GAS STANDBY:</b>       |                                      |                                   |                           |                           |              |                        |                                       |                        |
| Buildings                        | \$ 29,881.00                         |                                   | 30                        | 4                         | \$ 1,195.00  | \$ 28,686.00           | \$ 511.47                             |                        |
| Deisel Gas Engine                | 52,000.00                            |                                   | 20                        | 10                        | 5,200.00     | 46,800.00              | 1,571.64                              |                        |
| Electrical Equipment             | 9,830.00                             |                                   | 16                        | 20                        | 1,966.00     | 7,864.00               | 360.33                                |                        |
| Mechanical Equipment             | 2,739.00                             |                                   | 20                        | 10                        | 274.00       | 2,465.00               | 82.78                                 |                        |
| Together                         | \$ 94,450.00                         | 4                                 | -                         | -                         | \$ 8,635.00  | \$ 85,815.00           | \$ 2,526.22                           | 2.674                  |







STATEMENT SHOWING AMOUNT OF ANNUAL PROVISIONS REQUIRED TO REPLACE CERTAIN  
PROPERTIES AT END OF ESTIMATED LIFE ON SINKING FUND BASIS OF 4%

| CLASSIFICATION                         | Estimated Replacement Values in 1914 | Years in Service to March 1, 1916 | Estimated Life (in years) | Estimated Residual Values |              | Reserve to be provided |                  |                        |
|----------------------------------------|--------------------------------------|-----------------------------------|---------------------------|---------------------------|--------------|------------------------|------------------|------------------------|
|                                        |                                      |                                   |                           | % of Replacement Values   | Amount       | Total Amount           | Annual Provision | % of Replacement Value |
| <b>TELESON FALLS DEVELOPMENT:</b>      |                                      |                                   |                           |                           |              |                        |                  |                        |
| Real Estate and Rights                 | \$ 23,002.00                         |                                   | -                         | 100                       | \$ 23,002.00 | \$ -                   | \$ -             |                        |
| Power House Substructure               | 1,236.00                             |                                   | 40                        | -                         | -            | 1,236.00               | 13.01            |                        |
| Power House Superstructure             | 1,081.00                             |                                   | 40                        | 7                         | 76.00        | 1,005.00               | 10.58            |                        |
| Head Race Excavating and Walls         | 772.00                               |                                   | 100                       | -                         | -            | 772.00                 | .62              |                        |
| Hydraulic Equipment                    | 17,935.00                            |                                   | 17                        | 5                         | 897.00       | 17,038.00              | 718.99           |                        |
| Electrical Equipment                   | 20,522.00                            |                                   | 16                        | 20                        | 4,104.00     | 16,418.00              | 752.27           |                        |
| Mechanical Equipment                   | 313.00                               |                                   | 20                        | 10                        | 31.00        | 282.00                 | 9.47             |                        |
| Together                               | \$ 64,861.00                         | 16                                | -                         | -                         | \$ 28,110.00 | \$ 36,751.00           | \$ 1,504.94      | 2.32                   |
| <b>DAM NO.2 DEVELOPMENT:</b>           |                                      |                                   |                           |                           |              |                        |                  |                        |
| Real Estate and Water Rights           | \$ 14,160.00                         |                                   | -                         | 100                       | \$ 14,160.00 | \$ -                   | \$ -             |                        |
| Power House Substructure               | 34,070.00                            |                                   | 40                        | -                         | -            | 34,070.00              | 358.52           |                        |
| Power House Superstructure             | 16,537.00                            |                                   | 40                        | 7                         | 1,158.00     | 15,379.00              | 161.83           |                        |
| Racks and Rack Structure               | 6,863.00                             |                                   | 30                        | 5                         | 343.00       | 6,520.00               | 116.25           |                        |
| New Roadway, etc.                      | 2,243.00                             |                                   | 20                        | 5                         | 112.00       | 2,131.00               | 71.56            |                        |
| Hydraulic Equipment                    | 65,344.00                            |                                   | 17                        | 5                         | 3,267.00     | 62,077.00              | 2,619.59         |                        |
| Steel Head-gates and motors            | 3,905.00                             |                                   | 30                        | 5                         | 195.00       | 3,710.00               | 66.15            |                        |
| Stop Logs, Winches, etc.               | 1,566.00                             |                                   | 20                        | 5                         | 78.00        | 1,488.00               | 49.97            |                        |
| Electrical Equipment                   | 62,887.00                            |                                   | 16                        | 20                        | 12,517.00    | 50,070.00              | 2,294.21         |                        |
| Mechanical Equipment                   | 6,044.00                             |                                   | 20                        | 10                        | 604.00       | 5,440.00               | 182.69           |                        |
| Miscellaneous Buildings                | 5,871.00                             |                                   | 30                        | 4                         | 235.00       | 5,636.00               | 100.49           |                        |
| Together                               | \$219,190.00                         | 4                                 | -                         | -                         | \$ 32,669.00 | \$186,521.00           | \$ 6,021.26      | 2.747                  |
| <b>DAM NO.5 DEVELOPMENT:</b>           |                                      |                                   |                           |                           |              |                        |                  |                        |
| Real Estate, Water Rights, etc.        | \$ 12,955.00                         |                                   | -                         | 100                       | \$ 12,955.00 | \$ -                   | \$ -             |                        |
| Power House Substructure               | 51,948.00                            |                                   | 40                        | -                         | -            | 51,948.00              | 546.65           |                        |
| Power House Superstructure             | 18,033.00                            |                                   | 40                        | 7                         | 1,262.00     | 16,771.00              | 176.48           |                        |
| Rack and Rack Structure                | 6,057.00                             |                                   | 30                        | 5                         | 303.00       | 5,754.00               | 102.59           |                        |
| Tail Race Crib rock fill, etc.         | 8,547.00                             |                                   | 20                        | 5                         | 427.00       | 8,120.00               | 272.69           |                        |
| Sheds                                  | 371.00                               |                                   | 10                        | -                         | -            | 371.00                 | 30.90            |                        |
| Ice Fenders, Winches, etc.             | 1,189.00                             |                                   | 20                        | 5                         | 59.00        | 1,130.00               | 37.95            |                        |
| Hydraulic Equipment                    | 65,552.00                            |                                   | 17                        | 5                         | 3,278.00     | 62,274.00              | 2,627.90         |                        |
| Steel gates, gantry motors             | 5,587.00                             |                                   | 30                        | 5                         | 279.00       | 5,308.00               | 94.64            |                        |
| Stop Logs                              | 2,564.00                             |                                   | 20                        | 5                         | 128.00       | 2,436.00               | 81.81            |                        |
| Electrical Equipment                   | 62,821.00                            |                                   | 16                        | 20                        | 12,564.00    | 50,257.00              | 2,302.78         |                        |
| Mechanical Equipment                   | 5,022.00                             |                                   | 20                        | 10                        | 502.00       | 4,520.00               | 151.79           |                        |
| Miscellaneous Buildings                | 3,450.00                             |                                   | 30                        | 4                         | 138.00       | 3,312.00               | 59.05            |                        |
| Together                               | \$244,096.00                         | 4                                 | -                         | -                         | \$ 31,895.00 | \$212,201.00           | \$ 6,485.23      | 2.653                  |
| <b>DAM NO.11 DEVELOPMENT:</b>          |                                      |                                   |                           |                           |              |                        |                  |                        |
| Real Estate and Water Rights           | \$ 2,658.00                          |                                   | -                         | 100                       | \$ 2,658.00  | \$ -                   | \$ -             |                        |
| Power House Substructure               | 28,056.00                            |                                   | 40                        | -                         | -            | 28,056.00              | 295.23           |                        |
| Power House Superstructure             | 33,032.00                            |                                   | 40                        | 7                         | 2,312.00     | 30,720.00              | 323.27           |                        |
| Head Race & Tail Race Excavation       | 11,233.00                            |                                   | -                         | 100                       | 11,233.00    | -                      | -                |                        |
| Head Race Mass and Reinforced Concrete | 31,766.00                            |                                   | 100                       | -                         | -            | 31,766.00              | 25.67            |                        |
| Hydraulic Equipment                    | 59,693.00                            |                                   | 17                        | 5                         | 2,985.00     | 56,708.00              | 2,393.02         |                        |
| Stop Logs, Head Gates, Winches, etc.   | 1,176.00                             |                                   | 30                        | 5                         | 59.00        | 1,117.00               | 19.92            |                        |
| Electrical Equipment                   | 105,873.00                           |                                   | 16                        | 20                        | 21,175.00    | 84,698.00              | 3,880.86         |                        |
| Mechanical Equipment                   | 7,577.00                             |                                   | 20                        | 10                        | 758.00       | 6,819.00               | 229.00           |                        |
| Miscellaneous Buildings                | 6,155.00                             |                                   | 30                        | 4                         | 246.00       | 5,909.00               | 105.36           |                        |
| Together                               | \$287,219.00                         | 7                                 | -                         | -                         | \$ 41,426.00 | \$245,793.00           | \$ 7,272.33      | 2.532                  |
| <b>CONSTRUCTION MATERIAL:</b>          | \$ 23,087.00                         | -                                 | 10                        | 10                        | \$ 2,309.00  | \$ 20,778.00           | \$ 1,730.64      | 7.496                  |







CENTRAL ONTARIO SYSTEM  
SUMMARY OF OPERATING AND DEFICIT ACCOUNT  
For Period from March 1, 1916 to October 31, 1921

| Particulars                                                                                                                                                               | March 1, 1916<br>to<br>October 31,<br>1917 | Year ending October 31 |              |              |              |              |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|------------------------|--------------|--------------|--------------|--------------|
|                                                                                                                                                                           |                                            | 1918                   | 1919         | 1920         | 1921         | Total        |
| Power Department                                                                                                                                                          | \$109,934.66                               | \$ 1,073.56            | \$138,689.54 | \$ 40,506.14 | \$ 59,033.68 | \$349,237.58 |
| Local Electric Systems                                                                                                                                                    | 89,492.44                                  | 97,495.23              | 67,834.94    | 26,244.80    | 84,516.21    | 365,583.62   |
| Gas Works                                                                                                                                                                 | 31,730.67                                  | 26,847.27              | 23,879.41    | 13,562.16    | 8,654.51     | 104,674.01   |
| Cobourg Waterworks                                                                                                                                                        | 7,704.09                                   | 8,543.01               | 8,429.94     | 1,133.49     | 1,973.16     | 27,783.69    |
| Trenton Waterworks                                                                                                                                                        | 2,985.13                                   | 542.26                 | 289.18       | -            | -            | 3,816.57     |
| Peterborough Radial Railway                                                                                                                                               | 1,848.84                                   | 12,323.41              | 20,779.07    | 21,205.87    | 33,031.15    | 88,490.66    |
| Campbellford Pulp Mill                                                                                                                                                    | 32,753.62                                  | 14,869.89              | 58,888.30    | 200,364.45   | 17,693.84    | 141,666.04   |
| Oshawa Rural Lines                                                                                                                                                        | -                                          | 2,231.67               | -            | 3,306.76     | -            | 5,537.43     |
| Nipissing Power Department                                                                                                                                                | 1,929.36                                   | 17,048.53              | 2,607.93     | 8,561.16     | 8,840.99     | 33,772.11    |
| Nipissing Local Distribution Systems                                                                                                                                      | -                                          | 1,399.90               | 3,697.46     | 1,618.55     | 2,037.09     | 1,879.02     |
| <u>Profit or Loss</u> (per Operating Accounts)                                                                                                                            | \$ 24,218.75                               | \$ 16,500.05           | \$183,631.67 | \$136,716.13 | \$ 42,674.03 | \$ 97,308.27 |
| <u>Adjustments</u>                                                                                                                                                        |                                            |                        |              |              |              |              |
| Less- Additional provision for water rentals payable to the Department of Railways and Canals                                                                             | \$ 53,330.91                               | \$ 31,683.55           | \$ 31,824.00 | \$ 2,512.00  | -            | \$119,350.46 |
|                                                                                                                                                                           | \$ 77,549.66                               | \$ 15,183.50           | \$215,455.67 | \$134,204.13 | \$ 42,674.03 | \$216,658.73 |
| Add- Revenue arising from additional charges to certain municipalities including the Oshawa Rural Lines for the excess of the cost of power over the amounts paid by them | -                                          | 2,231.67               | 27,003.93    | 20,763.62    | -            | 49,999.22    |
|                                                                                                                                                                           | \$ 77,549.66                               | \$ 12,951.83           | \$188,451.74 | \$154,967.75 | \$ 42,674.03 | \$166,659.51 |
| Less- Loss on sale of Trenton Waterworks                                                                                                                                  | -                                          | -                      | 2,270.64     | -            | -            | 2,270.64     |
| <u>Profit or Loss after adjustment</u>                                                                                                                                    | \$ 77,549.66                               | \$ 12,951.83           | \$190,722.38 | \$154,967.75 | \$ 42,674.03 | \$168,930.15 |







## CENTRAL ONTARIO SYSTEM

## POWER DEPARTMENT - OPERATING ACCOUNT

For the Period from March 1, 1916 to October 31, 1921

| Particulars                                                                                                                                                                                      | From March<br>1, 1916, to<br>October 31<br>1917 | Year ending         |                     |                     |                     |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------|---------------------|---------------------|---------------------|---------------------|
|                                                                                                                                                                                                  |                                                 | 1918                | 1919                | 1920                | 1921                |
| <b>REVENUE:</b>                                                                                                                                                                                  |                                                 |                     |                     |                     |                     |
| Power sold to private Companies and Municipalities including power supplied to certain other Municipalities at cost, in accordance with their Contracts with the Hydro-Electric Power Commission | \$322,110.21                                    | \$244,083.99        | \$254,796.80        | \$306,726.65        | \$394,482.57        |
| Power supplied other undertakings of the Central Ontario System:                                                                                                                                 |                                                 |                     |                     |                     |                     |
| Local Electric Systems                                                                                                                                                                           | 301,275.61                                      | 280,529.60          | 195,942.38          | 335,907.27          | 302,842.33          |
| Cobourg Waterworks                                                                                                                                                                               | 3,500.00                                        | 525.00              | -                   | -                   | -                   |
| Peterborough Railway                                                                                                                                                                             | -                                               | 6,000.00            | 6,295.63            | 6,695.08            | 16,186.07           |
| Campbellford Pulp Mill                                                                                                                                                                           | 55,567.82                                       | 35,182.64           | 39,099.66           | 39,243.97           | 28,966.43           |
| Trenton Waterworks                                                                                                                                                                               | 682.75                                          | -                   | -                   | -                   | -                   |
| <b>Total Revenue</b>                                                                                                                                                                             | <b>\$683,136.39</b>                             | <b>\$567,321.23</b> | <b>\$496,134.47</b> | <b>\$688,672.87</b> | <b>\$742,377.40</b> |
| <b>COST of OPERATING, including portion of Administrative Expenses:</b>                                                                                                                          |                                                 |                     |                     |                     |                     |
| Power purchased                                                                                                                                                                                  | \$ 52,136.32                                    | \$ 36,969.10        | \$ 12,207.39        | \$ 14,492.35        | \$ 14,428.46        |
| Power development -                                                                                                                                                                              |                                                 |                     |                     |                     |                     |
| Operating                                                                                                                                                                                        | 82,834.08                                       | 64,408.07           | 78,862.47           | 100,269.93          | 117,150.16          |
| Maintenance                                                                                                                                                                                      | 7,495.73                                        | 6,575.95            | 12,359.86           | 15,196.60           | 18,138.31           |
| Transformer Stations-                                                                                                                                                                            |                                                 |                     |                     |                     |                     |
| Operating                                                                                                                                                                                        | 25,226.92                                       | 30,226.67           | 35,011.11           | 35,159.26           | 37,208.00           |
| Maintenance                                                                                                                                                                                      | 7,712.85                                        | 7,245.95            | 13,699.55           | 19,133.46           | 24,084.73           |
| Transmission Lines -                                                                                                                                                                             |                                                 |                     |                     |                     |                     |
| Operating                                                                                                                                                                                        | 42,143.02                                       | 33,666.79           | 36,460.90           | 39,794.02           | 29,627.06           |
| Maintenance                                                                                                                                                                                      | 10,371.94                                       | 14,352.59           | 22,706.68           | 31,568.13           | 30,091.06           |
| Overhead Expenses (Exhibit VIII-A)                                                                                                                                                               | 66,327.97                                       | 39,087.58           | 49,605.20           | 54,892.91           | 75,381.75           |
| <b>Total Expenses</b>                                                                                                                                                                            | <b>\$294,248.83</b>                             | <b>\$232,532.70</b> | <b>\$260,913.16</b> | <b>\$310,506.66</b> | <b>\$346,109.53</b> |
| <b>Balance</b>                                                                                                                                                                                   | <b>\$388,887.56</b>                             | <b>\$334,788.53</b> | <b>\$235,221.31</b> | <b>\$378,066.21</b> | <b>\$396,267.87</b> |
| <b>ADD - Profit on sale of merchandise, etc.</b>                                                                                                                                                 | <b>\$ 10,784.31</b>                             | <b>\$ 2,379.75</b>  | <b>\$ 3,549.44</b>  | <b>\$ 3,395.94</b>  | <b>\$ 4,040.84</b>  |
| <b>Profit before deducting Fixed Charges</b>                                                                                                                                                     | <b>\$399,671.87</b>                             | <b>\$337,168.28</b> | <b>\$238,770.75</b> | <b>\$381,462.15</b> | <b>\$400,308.71</b> |
| <b>FIXED CHARGES:</b>                                                                                                                                                                            |                                                 |                     |                     |                     |                     |
| Interest                                                                                                                                                                                         | \$362,824.85                                    | \$236,406.66        | \$264,705.40        | \$300,554.72        | \$312,538.47        |
| Provision for renewal of Plant and Equipment                                                                                                                                                     | 140,994.93                                      | 94,999.68           | 107,124.12          | 114,903.09          | 119,599.44          |
| Provision for contingencies                                                                                                                                                                      | 5,786.75                                        | 6,835.50            | 5,630.77            | 6,510.48            | 27,204.48           |
| <b>Total Fixed Charges</b>                                                                                                                                                                       | <b>\$509,606.53</b>                             | <b>\$338,241.84</b> | <b>\$377,460.29</b> | <b>\$421,968.29</b> | <b>\$459,342.39</b> |
| <b>Net Profit or Loss</b>                                                                                                                                                                        | <b>\$109,934.86</b>                             | <b>\$ 1,073.56</b>  | <b>\$138,689.54</b> | <b>\$ 40,506.14</b> | <b>\$ 59,033.68</b> |







CENTRAL ONTARIO SYSTEMPOWER DEPARTMENT - OVERHEAD EXPENSES

(Subsidiary to preceding Statement)

| Particulars                                  | From March<br>1, 1916, to<br>October 31,<br>1917 | Year ending        |                    | October 31         |                    |
|----------------------------------------------|--------------------------------------------------|--------------------|--------------------|--------------------|--------------------|
|                                              |                                                  | 1918               | 1919               | 1920               | 1921               |
| Portion of Head Office Salaries and Expenses | \$19,276.80                                      | \$21,141.62        | \$24,762.54        | \$26,273.68        | \$32,011.23        |
| Local Office Salaries                        | 12,581.56                                        | 11,391.97          | 12,365.97          | 18,553.72          | 31,632.59          |
| Local Office Expenses                        | 6,225.08                                         | 2,899.77           | 6,215.48           | 6,659.18           | 5,472.99           |
| Printing and Stationery                      | 1,229.77                                         | 803.58             | 1,043.76           | 1,542.01           | 2,283.57           |
| Meter Department Expense                     | 1,168.00                                         | 773.48             | 3,036.25           | 1.84               | -                  |
| Stores Operation Expense                     | 1,217.02                                         | 907.66             | 1,121.92           | 808.62             | 2,000.90           |
| Taxes                                        | 22,950.85                                        | -                  | 289.07             | 180.74             | -                  |
| Insurance, Rents, Legal Expense, etc.        | 1,678.89                                         | 1,169.50           | 769.61             | 873.12             | 1,980.47           |
| <b>Totals</b>                                | <b>\$66,327.97</b>                               | <b>\$39,087.58</b> | <b>\$49,605.20</b> | <b>\$54,892.91</b> | <b>\$75,381.75</b> |







## CENTRAL ONTARIO SYSTEM

## LOCAL ELECTRIC SYSTEMS - OPERATING ACCOUNT

For the Period from March 1, 1916 to October 31, 1921

| Particulars                                                                                   | From March<br>1, 1916, to<br>October 31,<br>1917 | Year ending October 31, |              |              |              |
|-----------------------------------------------------------------------------------------------|--------------------------------------------------|-------------------------|--------------|--------------|--------------|
|                                                                                               |                                                  | 1918                    | 1919         | 1920         | 1921         |
| REVENUE (Power sold to Consumers)                                                             | \$641,710.34                                     | \$520,137.00            | \$408,197.20 | \$525,097.66 | \$582,650.39 |
| COST OF OPERATING, including portion of Overhead Expense:-                                    |                                                  |                         |              |              |              |
| Power purchased                                                                               | # 312,849.95                                     | 280,529.60              | 195,942.38   | 335,907.27   | 302,842.33   |
| Distributing System -                                                                         |                                                  |                         |              |              |              |
| Operating                                                                                     | 1,357.30                                         | 422.51                  | 677.82       | 1,162.12     | 1,998.77     |
| Maintenance                                                                                   | 13,352.59                                        | 8,595.18                | 11,755.86    | 15,199.43    | 16,763.04    |
| Transformers and Devices -                                                                    |                                                  |                         |              |              |              |
| Operating                                                                                     | 371.31                                           | 837.32                  | 1,081.77     | 1,026.54     | 1,449.91     |
| Maintenance                                                                                   | 2,349.97                                         | 1,946.30                | 3,255.38     | 3,234.43     | 3,833.87     |
| Meters and Devices -                                                                          |                                                  |                         |              |              |              |
| Operating                                                                                     | 1,725.86                                         | 3,592.72                | 5,578.88     | 7,224.91     | 5,905.29     |
| Maintenance                                                                                   | 3,151.88                                         | 2,484.68                | 3,035.47     | 3,369.63     | 6,629.79     |
| Street Lighting -                                                                             |                                                  |                         |              |              |              |
| Operating                                                                                     | 8,708.49                                         | 7,000.89                | 6,957.58     | 6,145.27     | 7,340.25     |
| Maintenance                                                                                   | 1,702.99                                         | 816.56                  | 1,159.42     | 1,480.86     | 1,853.76     |
| Stores and Utility -                                                                          |                                                  |                         |              |              |              |
| Operating                                                                                     | 2,707.03                                         | 6,574.85                | 6,464.48     | 2,892.53     | *1,950.07    |
| Maintenance                                                                                   | 222.24                                           | 281.25                  | 745.37       | 675.93       | 1,693.46     |
| Consumer's Accounts and new business expense                                                  | 6,126.41                                         | 8,658.38                | 7,522.53     | 10,307.37    | 14,830.42    |
| Salaries of Local Officers and Clerks                                                         | 52,644.45                                        | 25,667.81               | 31,883.98    | 41,720.94    | 44,141.62    |
| Office Rent                                                                                   | 5,244.75                                         | 3,318.95                | 3,358.26     | 3,430.19     | 4,552.80     |
| Maintenance office buildings and equipment                                                    | 162.24                                           | 4,349.14                | 1,683.57     | 1,787.69     | 2,282.76     |
| Insurance, Taxes, etc.                                                                        | 10,763.59                                        | 2,895.21                | 2,970.70     | 3,245.20     | 4,145.55     |
| Miscellaneous office supplies and expenses                                                    | 15,897.71                                        | 5,667.96                | 6,201.92     | 7,689.88     | 7,840.99     |
| Miscellaneous and general expense                                                             | 3,394.22                                         | 2,599.86                | 2,413.52     | 3,031.34     | 2,317.09     |
| Portion of Head Office expense, including Engineering Salaries and Municipal Auditing Expense | 6,817.84                                         | 13,197.69               | 6,766.13     | 10,648.95    | 10,414.05    |
| Total Expenses                                                                                | \$450,050.82                                     | \$379,496.85            | \$299,455.02 | \$460,180.48 | \$438,885.68 |
| Balance                                                                                       | \$191,659.52                                     | \$140,640.15            | \$108,742.18 | \$ 64,917.18 | \$143,764.71 |
| ADD - Profit on sale of merchandise, etc.                                                     | 28,413.75                                        | 19,215.08               | 24,988.08    | 33,623.63    | 22,833.30    |
| Profit before deducting Fixed Charges                                                         | \$220,073.27                                     | \$159,855.23            | \$133,730.26 | \$ 98,540.81 | \$166,598.01 |
| DEDUCT - Fixed Charges:-                                                                      |                                                  |                         |              |              |              |
| Interest                                                                                      | 84,247.02                                        | 37,755.03               | 39,575.34    | 43,549.98    | 49,841.64    |
| Provision for renewal of Plant and Equipment                                                  | 46,333.81                                        | 24,604.97               | 26,319.98    | 28,746.03    | 32,240.16    |
| Total Fixed Charges                                                                           | \$130,580.83                                     | \$ 62,360.00            | \$ 65,895.32 | \$ 72,296.01 | \$ 82,081.80 |
| Net Profit                                                                                    | \$ 89,492.44                                     | \$ 97,495.23            | \$ 67,834.94 | \$ 26,244.80 | \$ 84,516.21 |

\* NOTE: Stores and Utility - Overhead allowance for cost of operating Stores Department changed from 5% to 10%, resulting in a profit in 1921.

# " Includes \$11,574.34 representing operating expenses of Sub-Stations.



LOCAL ELECTRIC SYSTEM

For the period from March 1, 1921

| Particulars                                                          |                | 1921           | 1922           | 1923           |
|----------------------------------------------------------------------|----------------|----------------|----------------|----------------|
| REVENUE (Power sold to Consumers) \$1,804, 22.01, 22.25 22.01, 22.25 |                |                |                |                |
| COST OF OPERATING, including portion of Overhead                     |                |                |                |                |
| Expenses:                                                            |                |                |                |                |
| Power purchased                                                      | \$7,242, 22.01 | \$6,442, 22.01 | \$6,442, 22.01 | \$6,442, 22.01 |
| Distributing System -                                                |                |                |                |                |
| Operating                                                            | \$2,770        | \$2,770        | \$2,770        | \$2,770        |
| Maintenance                                                          | \$2,227, 12    | \$2,227, 12    | \$2,227, 12    | \$2,227, 12    |
| Transformers and Devices -                                           |                |                |                |                |
| Operating                                                            | \$2,180, 1     | \$2,180, 1     | \$2,180, 1     | \$2,180, 1     |
| Maintenance                                                          | \$2,522, 3     | \$2,522, 3     | \$2,522, 3     | \$2,522, 3     |
| Motors and Devices -                                                 |                |                |                |                |
| Operating                                                            | \$2,272, 2     | \$2,272, 2     | \$2,272, 2     | \$2,272, 2     |
| Maintenance                                                          | \$2,522, 3     | \$2,522, 3     | \$2,522, 3     | \$2,522, 3     |
| Street Lighting -                                                    |                |                |                |                |
| Operating                                                            | \$2,722, 2     | \$2,722, 2     | \$2,722, 2     | \$2,722, 2     |
| Maintenance                                                          | \$2,722, 2     | \$2,722, 2     | \$2,722, 2     | \$2,722, 2     |
| Stores and Utility -                                                 |                |                |                |                |
| Operating                                                            | \$2,722, 2     | \$2,722, 2     | \$2,722, 2     | \$2,722, 2     |
| Maintenance                                                          | \$2,722, 2     | \$2,722, 2     | \$2,722, 2     | \$2,722, 2     |
| Contractor's Account and new buildings expense                       |                |                |                |                |
| Balance of Local Officers and Utilities                              |                |                |                |                |
| Office Rent                                                          |                |                |                |                |
| Maintenance office buildings and equipment                           |                |                |                |                |
| Insurance, Taxes, etc.                                               |                |                |                |                |
| Miscellaneous office supplies and expenses                           |                |                |                |                |
| Miscellaneous and general expense                                    |                |                |                |                |
| Portion of Head Office expense, including                            |                |                |                |                |
| Engineering Salaries and Municipal Auditing                          |                |                |                |                |
| Depreciation                                                         |                |                |                |                |
| Total Expenses, 1921                                                 | \$2,722, 2     | \$2,722, 2     | \$2,722, 2     | \$2,722, 2     |
| Balance                                                              | \$2,722, 2     | \$2,722, 2     | \$2,722, 2     | \$2,722, 2     |
| AND - Profit on sale of merchandise, etc.                            |                |                |                |                |
| 10 Profit before deducting Fixed Charges                             |                |                |                |                |
| DEDUCT - Fixed Charges:                                              |                |                |                |                |
| Interest                                                             |                |                |                |                |
| Provision for renewal of Plant and Equipment                         |                |                |                |                |
| Total Fixed Charges                                                  |                |                |                |                |
| Net Profit                                                           |                |                |                |                |

\* NOTE: Stores and Utility - Overhead allowance for cost of operating Stores department changed from \$2 to 10% resulting in a profit in 1921.  
Includes \$11,374.34 representing operating expenses



## CENTRAL ONTARIO SYSTEM

## GAS WORKS - OPERATING ACCOUNT

For the Period from March 1, 1916 to October 31, 1921

| Particulars                                                           | From March<br>1, 1916, to<br>October 31<br>1917 | Year ending  |              | October 31,  |              |
|-----------------------------------------------------------------------|-------------------------------------------------|--------------|--------------|--------------|--------------|
|                                                                       |                                                 | 1918         | 1919         | 1920         | 1921         |
| <u>REVENUE</u>                                                        | \$133,983.17                                    | \$115,139.44 | \$132,827.89 | \$172,044.46 | \$195,775.20 |
| <u>COST of OPERATING</u> , including portion of<br>overhead expenses: |                                                 |              |              |              |              |
| Gas Plant                                                             |                                                 |              |              |              |              |
| Labor                                                                 | 15,357.99                                       | 14,180.37    | 17,009.89    | 22,280.15    | 23,516.30    |
| Gas Oil                                                               | 23,222.56                                       | 26,702.62    | 28,080.69    | 26,239.50    | 23,328.92    |
| Fuel                                                                  | 28,946.36                                       | 26,878.15    | 29,941.77    | 39,948.77    | 51,695.28    |
| Coal carbonized                                                       | 17,559.87                                       | 12,197.80    | 9,760.10     | 10,579.34    | 12,720.80    |
| Superintendence                                                       | 533.67                                          | 310.77       | 339.42       | 524.71       | 466.46       |
| Water                                                                 | 610.09                                          | 435.96       | 794.40       | 708.03       | 1,418.20     |
| Purification supplies                                                 | 1,023.76                                        | 660.55       | 167.76       | 1,154.37     | 1,413.37     |
| Maintenance                                                           | 6,234.87                                        | 3,806.57     | 4,221.47     | 7,285.22     | 7,910.03     |
| Miscellaneous supplies and expenses                                   | 2,096.48                                        | 2,170.59     | 2,361.04     | 3,342.17     | 3,985.88     |
| Distribution System                                                   |                                                 |              |              |              |              |
| Labor                                                                 | 510.74                                          | 356.66       | 333.04       | 400.49       | 445.06       |
| Customer's premises expense                                           | 1,284.73                                        | 835.11       | 1,149.92     | 1,309.45     | 875.23       |
| Stable expense                                                        | 527.91                                          | 1,825.02     | 2,485.13     | 2,910.33     | 1,706.83     |
| Maintenance                                                           | 4,286.74                                        | 5,837.34     | 7,513.27     | 10,458.99    | 8,819.70     |
| Miscellaneous supplies and expenses                                   | 287.83                                          | 331.25       | 409.08       | 579.43       | 939.67       |
| Engineering salaries and expenses                                     | 3,156.83                                        | 3,567.08     | 3,145.02     | 4,634.81     | 4,540.32     |
| Salaries - local offices                                              | 11,055.15                                       | 7,909.01     | 10,703.52    | 12,635.55    | 13,941.68    |
| Local office expense                                                  | 4,607.59                                        | 4,676.59     | 3,450.37     | 3,640.03     | 3,139.44     |
| Portion of head office expense                                        | 1,553.82                                        | 1,786.03     | 1,584.17     | 2,314.80     | 3,806.50     |
| Insurance, taxes, rent, etc.                                          | 8,482.03                                        | 5,171.76     | 4,598.16     | 4,393.31     | 5,023.63     |
| Total Expenses                                                        | \$131,339.02                                    | \$119,639.23 | \$128,048.22 | \$155,339.45 | \$169,693.30 |
| <u>LESS:</u> Coke and tar sold                                        | 10,210.82                                       | 8,400.85     | 6,913.15     | 7,492.61     | 9,074.42     |
| Total cost of operating, etc.                                         | \$121,128.20                                    | \$111,238.38 | \$121,135.07 | \$147,846.84 | \$160,618.88 |
| Balance                                                               | \$ 12,854.97                                    | \$ 3,901.06  | \$ 11,692.82 | \$ 24,197.62 | \$ 35,156.32 |
| <u>ADD:</u> Profit on sale of merchandise, job work,<br>etc.          | 4,334.66                                        | 2,987.85     | 3,264.82     | 3,929.60     | 2,784.30     |
| Profit before deducting Fixed Charges                                 | \$17,189.63                                     | \$ 6,888.91  | \$ 14,957.64 | \$ 28,127.22 | \$ 37,940.62 |
| <u>FIXED CHARGES:</u>                                                 |                                                 |              |              |              |              |
| Interest                                                              | \$ 30,225.33                                    | \$ 20,176.67 | \$ 23,364.75 | \$ 25,210.85 | \$ 28,489.97 |
| Provision for renewal of plant & equipment                            | 18,694.97                                       | 13,559.51    | 15,472.30    | 16,478.52    | 18,105.16    |
| Total Fixed Charges                                                   | \$ 48,920.30                                    | \$ 33,736.18 | \$ 38,837.05 | \$41,689.37  | \$ 46,595.13 |
| Net Loss                                                              | \$ 31,730.67                                    | \$ 26,847.27 | \$ 23,879.41 | \$ 13,562.15 | \$ 8,654.51  |







## CENTRAL ONTARIO SYSTEM

## COBOURG WATERWORKS - OPERATING ACCOUNT

For the Period from March 1, 1916 to October 31, 1921

| Particulars                                                           | From March 1,<br>1916 to<br>October 31,<br>1917 | Year ending  |              | October 31st |              |
|-----------------------------------------------------------------------|-------------------------------------------------|--------------|--------------|--------------|--------------|
|                                                                       |                                                 | 1918         | 1919         | 1920         | 1921         |
| <u>REVENUE</u>                                                        | \$ 33,281.10                                    | \$ 20,053.33 | \$ 20,808.41 | \$ 20,536.50 | \$ 32,481.92 |
| <u>COST of OPERATING</u> , including portion of<br>overhead expenses: |                                                 |              |              |              |              |
| Labor                                                                 | 3,333.06                                        | 2,160.54     | 2,340.00     | 2,805.00     | 2,880.00     |
| Fuel                                                                  | 2,484.74                                        | 1,208.44     | 702.19       | 757.74       | 1,005.48     |
| Power purchased                                                       | 3,500.00                                        | 3,175.02     | 4,090.06     | 3,805.35     | 4,236.85     |
| Maintenance - Pumping Plant                                           | 1,254.54                                        | 234.54       | 352.78       | 416.78       | 774.27       |
| Maintenance - Distribution System                                     | 665.21                                          | 508.87       | 683.98       | 559.04       | 653.39       |
| Miscellaneous supplies and expenses                                   | 963.76                                          | 463.93       | 387.14       | 516.20       | 626.22       |
| Engineering salaries and expenses                                     | 819.41                                          | 628.96       | 382.88       | 580.90       | 474.33       |
| Local office salaries                                                 | 2,047.53                                        | 1,434.61     | 1,777.52     | 2,163.78     | 2,513.55     |
| Local office expense                                                  | 825.53                                          | 732.32       | 644.56       | 772.90       | 858.57       |
| Head Office expense                                                   | 409.73                                          | 314.49       | 191.41       | 290.33       | 419.58       |
| Insurance, taxes, rent, etc.                                          | 875.56                                          | 438.10       | 431.07       | 670.08       | 767.41       |
| Total Expenses -                                                      | \$ 17,179.07                                    | \$ 11,299.22 | \$ 11,983.59 | \$ 13,338.10 | \$ 15,209.65 |
| <u>Balance</u>                                                        | \$ 16,102.03                                    | \$ 8,754.11  | \$ 8,824.82  | \$ 16,198.40 | \$ 17,272.27 |
| ADD -                                                                 |                                                 |              |              |              |              |
| Other income                                                          | 19.43                                           | 23.67        | 5.75         | 71.07        | 1.00         |
| <u>Profit before deducting Fixed<br/>Charges</u>                      | \$ 16,121.46                                    | \$ 8,777.78  | \$ 8,830.57  | \$ 16,269.47 | \$ 17,273.27 |
| <u>DEDUCT - Fixed Charges</u>                                         |                                                 |              |              |              |              |
| Interest                                                              | \$ 14,358.78                                    | \$ 10,119.00 | \$ 10,071.11 | \$ 10,288.74 | \$ 11,481.24 |
| Provision for renewal of Plant and<br>Equipment                       | \$ 9,466.77                                     | \$ 7,201.79  | 7,189.40     | 7,114.22     | 7,765.19     |
| Total Fixed Charges                                                   | \$ 23,825.55                                    | \$ 17,320.79 | \$ 17,260.51 | \$ 17,402.96 | \$ 19,246.43 |
| <u>Net Loss</u>                                                       | \$ 7,704.09                                     | \$ 8,543.01  | \$ 8,429.94  | \$ 1,133.49  | \$ 1,973.16  |

## NOTE:

From February 1, 1918, power has been furnished the  
Cobourg Waterworks through the Cobourg Local Elec-  
tric System.







CENTRAL ONTARIO SYSTEMTRENTON WATERWORKS - OPERATING ACCOUNT

30  
For the Period from March 1, 1916 to December 31, 1918

| Particulars                                                            | From March<br>1, 1916 to<br>October 31<br>1917 | Year<br>ending<br>October 31<br>1918 | Two Months<br>ending<br>December 31<br>1918 |
|------------------------------------------------------------------------|------------------------------------------------|--------------------------------------|---------------------------------------------|
| <u>REVENUE</u>                                                         | \$12,101.68                                    | \$ 8,088.05                          | \$ 1,336.87                                 |
| <u>COST of OPERATING</u> , including portion<br>of overhead expenses:— |                                                |                                      |                                             |
| 2 Pumping Plant —                                                      |                                                |                                      |                                             |
| 4 Operation                                                            | 2,123.03                                       | 2,489.49                             | 423.69                                      |
| 4 Maintenance                                                          | 350.08                                         | 161.59                               | 31.95                                       |
| 2 Distribution System —                                                |                                                |                                      |                                             |
| 4 Operation                                                            | 33.98                                          | 52.42                                | 4.55                                        |
| 4 Maintenance                                                          | 809.88                                         | 992.87                               | 85.28                                       |
| 2 Local Office salaries and expenses                                   | 2,481.70                                       | 1,647.41                             | 111.44                                      |
| Portion of Head Office expense                                         | 132.16                                         | 155.09                               | 29.70                                       |
| Insurance, taxes, rents, etc.                                          | 410.10                                         | 175.75                               | 25.25                                       |
| 4 <u>TOTAL Expenses</u>                                                | \$ 6,340.93                                    | \$ 5,674.62                          | \$ 711.86                                   |
| 6 <u>Balance</u>                                                       | \$ 5,760.75                                    | \$ 2,413.43                          | \$ 625.01                                   |
| <u>ADD-</u>                                                            |                                                |                                      |                                             |
| Other Income                                                           | 54.15                                          | 13.78                                | 1.42                                        |
| 2 <u>Profit before deducting Fixed</u>                                 |                                                |                                      |                                             |
| 4 <u>Charges</u>                                                       | \$ 5,814.90                                    | \$ 2,427.21                          | \$ 626.43                                   |
| <u>Fixed Charges:</u> —                                                |                                                |                                      |                                             |
| 2 Interest                                                             | 1,740.04                                       | 1,123.10                             | 201.86                                      |
| Provision for renewal of Plant<br>4 and Equipment                      | 1,089.73                                       | 761.85                               | 135.39                                      |
| 4 <u>TOTAL Fixed Charges</u>                                           | \$ 2,829.77                                    | \$ 1,884.95                          | \$ 337.25                                   |
| 6 <u>Net Profit</u>                                                    | \$ 2,985.13                                    | \$ 542.26                            | \$ 289.18                                   |

## NOTE:

The waterworks were taken over by the  
Town of Trenton on January 1st, 1919.







## CENTRAL ONTARIO SYSTEM

## PETERBOROUGH RADIAL RAILWAY - OPERATING ACCOUNT

FOR THE PERIOD FROM MARCH 1, 1916 to OCTOBER 31, 1921.

| Particulars                                                           | March 1, 1916<br>to October<br>31, 1917 | Year ending October 31, |              |              |              |
|-----------------------------------------------------------------------|-----------------------------------------|-------------------------|--------------|--------------|--------------|
|                                                                       |                                         | 1918                    | 1919         | 1920         | 1921         |
| <u>REVENUE</u>                                                        | \$ 112,468.40                           | \$ 75,476.04            | \$ 80,935.34 | \$ 94,401.89 | \$100,816.37 |
| <u>COST OF OPERATING</u> , including portion of<br>Overhead Expenses: |                                         |                         |              |              |              |
| Maintenance ways and structures                                       | \$ 6,597.34                             | 7,083.86                | 12,088.45    | 9,706.34     | 7,928.97     |
| Maintenance of equipment                                              | 7,169.54                                | 5,039.57                | 9,526.22     | 14,213.32    | 15,348.29    |
| Power Purchased                                                       | 6,000.00                                | 6,000.00                | 6,295.63     | 6,695.08     | 16,186.07    |
| Superintendence of transportation                                     | 361.78                                  | 9.00                    | 26.00        | 22.00        | 2,228.20     |
| Passenger Conductors, motormen and trainmen                           | 33,484.05                               | 25,739.71               | 32,527.03    | 38,786.89    | 44,367.68    |
| Car House Employees                                                   | 2,148.30                                | 2,021.97                | 1,160.90     | 1,526.85     | 1,470.39     |
| Miscellaneous Car Service Expenses                                    | 2,017.42                                | 1,574.29                | 2,906.22     | 4,714.04     | 6,547.71     |
| Local Office Salaries and Expenses                                    | 10,537.53                               | 7,449.94                | 6,957.48     | 8,307.50     | 3,069.24     |
| Portion of head office expenses                                       | 3,250.08                                | 6,773.47                | 2,702.11     | 2,153.88     | 6,347.54     |
| Insurance                                                             | 5,138.20                                | 5,110.60                | 5,814.97     | 6,668.58     | 5,131.52     |
| Taxes, rents etc.                                                     | 1,404.75                                | 793.29                  | 448.28       | 854.84       | 1,184.88     |
| <u>Total Expenses</u>                                                 | \$ 78,109.59                            | 67,595.70               | 80,453.29    | 93,649.32    | 109,810.49   |
| <u>Profit or Loss</u> before deducting<br>fixed charges               | 34,358.81                               | 7,880.34                | 482.05       | 752.57       | 8,994.12     |
| <u>FIXED CHARGES</u>                                                  |                                         |                         |              |              |              |
| Interest                                                              | 19,851.71                               | 11,912.45               | 12,553.04    | 13,184.07    | 14,425.34    |
| Provision for renewal of equipment                                    | 12,658.26                               | 8,291.30                | 8,708.08     | 8,774.37     | 9,611.69     |
| <u>Total fixed charges</u>                                            | \$ 32,509.97                            | 20,203.75               | 21,261.12    | 21,958.44    | 24,037.03    |
| <u>Net profit or Loss</u>                                             | \$1,848.84                              | \$12,323.41             | \$20,779.07  | \$21,205.87  | \$33,031.15  |

## Note:

Prior to October 31, 1917, power required in the operation of the Peterborough Radial Railway was purchased direct from the Peterborough Hydraulic Power Company.







CENTRAL ONTARIO SYSTEMCAMPBELLFORD PULP MILL - OPERATING ACCOUNT

FOR THE PERIOD FROM MARCH 1, 1916 to OCTOBER 31, 1921.

| Particulars                                                                                                                                                         | From March<br>1, 1916, to<br>October 31,<br>1917 | Year ending October 31, |              |              |              |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------|-------------------------|--------------|--------------|--------------|
|                                                                                                                                                                     |                                                  | 1918                    | 1919         | 1920         | 1921         |
| <u>SALES OF PULP</u>                                                                                                                                                | \$239,657.70                                     | \$195,501.57            | \$253,209.40 | \$602,625.81 | \$193,960.99 |
| <u>MANUFACTURING COST OF SALES:</u>                                                                                                                                 |                                                  |                         |              |              |              |
| Cost of wood taken from the Bruton Township Limits,<br>including portion of interest on Plant, on Working<br>Capital and provision for Sinking Fund (Exhibit XIV-A) | -                                                | 59,382.08               | 53,787.17    | 143,648.52   | 33,810.73    |
| Wood purchased                                                                                                                                                      | 56,587.41                                        | 41,505.07               | 5,855.87     | 23,506.54    | 50,984.39    |
| Freight from Bancroft and other points (inbound)                                                                                                                    | 25,688.48                                        | 18,342.79               | 38,803.70    | 38,932.46    | 26,173.80    |
| Barking and rossing at Campbellford                                                                                                                                 | 10,625.80                                        | 7,807.46                | 9,259.34     | 11,841.39    | 4,631.47     |
| Wages at Campbellford Pulp Mill                                                                                                                                     | 43,520.29                                        | 32,934.02               | 34,354.81    | 31,387.12    | 16,120.31    |
| Power purchased                                                                                                                                                     | 55,551.67                                        | 36,182.64               | 39,099.66    | 39,243.87    | 28,866.43    |
| Mill supplies, including grindstones, felt, wire, oil,<br>waste, etc.                                                                                               | 12,719.74                                        | 8,280.81                | 11,119.69    | 14,028.93    | 4,674.36     |
| Maintenance of machinery and electrical equipment                                                                                                                   | 10,284.49                                        | 7,451.68                | 8,874.99     | 12,392.14    | 10,198.11    |
| Maintenance of buildings                                                                                                                                            | 338.69                                           | 192.47                  | 223.30       | 1,615.28     | 1,027.64     |
| Insurance                                                                                                                                                           | 1,122.04                                         | 1,109.55                | 1,052.00     | 7,065.36     | 7,634.90     |
| Increase or decrease in Inventory between beginning<br>and end of period (Exclusive of wood at Bruton<br>Township Limits) including portion of Fixed Charges        | 34,841.11                                        | 25,743.63               | 89,812.29    | 942.53       | 70,909.34    |
| Total Manufacturing Cost of Sales, without<br>adjustment for certain Fixed Charges<br>included in Inventory                                                         | \$181,597.50                                     | \$187,444.94            | \$292,242.82 | \$322,719.08 | \$113,212.80 |
| Balance                                                                                                                                                             | \$ 58,060.20                                     | \$ 8,056.63             | \$ 39,033.42 | \$279,906.73 | \$ 80,748.19 |
| <u>ADMINISTRATIVE and GENERAL EXPENSES:</u>                                                                                                                         |                                                  |                         |              |              |              |
| Campbellford office salaries and expenses                                                                                                                           | \$ 5,762.71                                      | \$ 3,900.37             | \$ 4,105.31  | \$ 4,954.71  | \$ 5,627.05  |
| Portion of Head Office expense                                                                                                                                      | 837.50                                           | 6,626.75                | 2,964.06     | 1,154.84     | 902.57       |
| Travelling expenses                                                                                                                                                 | 971.37                                           | 436.94                  | 370.87       | 561.95       | 453.02       |
| Provision for doubtful accounts                                                                                                                                     | -                                                | -                       | -            | 2,000.00     | -            |
| Total General and Administrative Expenses                                                                                                                           | \$ 7,571.58                                      | \$ 10,964.06            | \$ 7,440.04  | \$ 8,671.50  | \$ 6,982.64  |
| Balance                                                                                                                                                             | \$ 50,488.62                                     | \$ 2,907.43             | \$ 46,473.46 | \$271,235.23 | \$ 73,765.55 |
| <u>ADD - INTEREST RECEIVED less INTEREST PAID and<br/>CASH DISCOUNT RECEIVED:</u>                                                                                   | 28.30                                            | -                       | 839.29       | -            | \$ 12,142.64 |
| Profit or Loss before deducting Fixed Charges                                                                                                                       | \$ 50,516.92                                     | \$ 2,907.43             | \$ 47,312.75 | \$271,235.23 | \$ 85,908.19 |
| <u>DEDUCT - FIXED CHARGES on PULP MILL:</u>                                                                                                                         |                                                  |                         |              |              |              |
| Interest on Capital Investment                                                                                                                                      | \$ 12,066.79                                     | \$ 6,708.69             | \$ 7,064.68  | \$ 7,184.04  | \$ 5,120.46  |
| Provision for renewal of Plant and Equipment                                                                                                                        | 5,696.51                                         | 3,753.77                | 3,492.79     | 3,511.62     | 3,506.44     |
| Total Fixed Charges                                                                                                                                                 | \$ 17,763.30                                     | \$ 10,462.46            | \$ 10,557.47 | \$ 10,695.66 | \$ 8,626.90  |
| Carried forward                                                                                                                                                     | \$ 32,753.62                                     | \$ 13,369.89            | \$ 57,870.22 | \$260,539.57 | \$ 77,281.29 |

NOTE: The Bruton Township Limits pulpwood areas were not operated until 1918.







CENTRAL ONTARIO SYSTEMCAMPBELLFORD PULP MILL - OPERATING ACCOUNTFOR THE PERIOD FROM MARCH 1, 1916 TO OCTOBER 31, 1921.

| Particulars                                                                                                                        | From March<br>1, 1916 to<br>October 31<br>1917 | Year ending October 31, |             |              |             |
|------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------|-------------------------|-------------|--------------|-------------|
|                                                                                                                                    |                                                | 1918                    | 1919        | 1920         | 1921        |
| Brought forward                                                                                                                    | \$32,753.62                                    | \$13,369.89             | \$57,870.22 | \$260,539.57 | \$77,281.29 |
| <u>SPECIAL DEDUCTIONS:</u>                                                                                                         |                                                |                         |             |              |             |
| Provision for decline in value of pulpwood and finished pulp                                                                       | -                                              | 1,500.00                | -           | 37,830.00    | 86,000.00   |
| Excess of carrying charges of Bruton Township Limits over amount included in cost of wood taken therefrom (as per Statement below) | -                                              | -                       | 1,018.08    | 12,345.12    | 7,923.75    |
| Expenses in connection with option granted on Pulp Mill                                                                            | -                                              | -                       | -           | 10,000.00    | 1,051.38    |
| <u>Total Special Deductions</u>                                                                                                    | -                                              | \$1,500.00              | \$1,018.08  | \$ 60,175.12 | \$94,975.13 |
| <u>Net Profit or Loss</u>                                                                                                          | \$32,753.62                                    | \$14,869.89             | \$58,888.30 | \$200,364.45 | \$17,693.84 |

BRUTON TOWNSHIP LIMITS - CARRYING CHARGES(The loss included above under Special Deductions)

|                                                                          |   |              |             |             |             |
|--------------------------------------------------------------------------|---|--------------|-------------|-------------|-------------|
| <u>BALANCE</u> from previous year                                        | - | -            | \$17,323.86 | \$14,729.92 |             |
| Interest on the purchase price of Bruton Township Limits at 5% per annum | - | \$20,052.68* | 15,000.00   | 15,000.00   | 15,000.00   |
| Provision for Sinking Fund, 1.3% of \$300,000.                           | - | 7,200.57*    | 5,400.00    | 5,400.00    | 5,400.00    |
| Interest charged on Balance of carrying charges at November 1, 1918,     | - | -            | 1,018.08    | -           | -           |
|                                                                          | - | \$27,253.25  | \$38,741.94 | \$35,129.92 | \$20,400.00 |
| LESS: Amount included in cost of wood cut, on basis of \$2.50 per cord   | - | 9,929.39     | 22,993.94   | 22,784.80   | 12,476.25   |
|                                                                          | - | \$17,323.86  | \$15,748.00 | \$12,345.12 | \$ 7,923.75 |
| LESS: Amount written off to Profit and Loss as above                     | - | -            | 1,018.08    | 12,345.12   | 7,923.75    |
| <u>BALANCE</u> carried forward to succeeding period                      | - | \$17,323.86  | \$14,729.92 | -           | -           |

\*NOTE:

Includes interest and provision for Sinking Fund for the period from July 1, 1917, date of acquisition, to October 31, 1918.



| Particulars                                          | 1917      | 1918      | 1919      |
|------------------------------------------------------|-----------|-----------|-----------|
| Net Profit or Loss                                   | 27,482.00 | 27,482.00 | 27,482.00 |
| Total Special Deductions                             | 50,310.12 | 50,310.12 | 50,310.12 |
| Expenses in connection with option granted on Mill   |           |           |           |
| (as per statement below)                             |           |           |           |
| over amount included in cost of wood taken therefrom |           |           |           |
| Excess of carrying charges of Bruton Township Limits |           |           |           |
| finished pulp                                        |           |           |           |
| Provision for decline in value of pulpwood and       |           |           |           |
| SPECIAL DEDUCTIONS:                                  |           |           |           |

BRUTON TOWNSHIP LIMITS

(The loss included above is)

|                                                          |           |           |           |
|----------------------------------------------------------|-----------|-----------|-----------|
| BALANCE carried forward to succeeding period             | 27,482.00 | 27,482.00 | 27,482.00 |
| Interest: Amount written off to Profit and Loss as above |           |           |           |
| of \$2.50 per cord                                       |           |           |           |
| Interest: Amount included in cost of wood cut, on basis  |           |           |           |
| November 1, 1918                                         |           |           |           |
| Interest charged on Balance of carrying charges at       |           |           |           |
| Provision for sinking fund, 1% of \$300,000.             |           |           |           |
| at 5% per annum                                          |           |           |           |
| Interest on the purchase price of Bruton Township Limits |           |           |           |
| BALANCE from previous year                               |           |           |           |

\*NOTE:  
Includes interest and provision for sinking fund for the  
period from July 1, 1917, date of acquisition, to  
October 31, 1918.



## CENTRAL ONTARIO SYSTEM

## COST OF WOOD TAKEN from BRUTON TOWNSHIP LIMITS

| Particulars                                                                                                                                                | Year ending October 31, |              |              |              |
|------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|--------------|--------------|--------------|
|                                                                                                                                                            | 1918                    | 1919         | 1920         | 1921         |
| Portion of Interest and provision for Sinking Fund on Bruton Township Limits, included in cost of wood, on basis of \$2.50 per cord of wood cut            | \$ 9,929.39             | \$22,993.94  | \$22,784.80  | \$12,476.25  |
| Cutting labor and expenses at Bruton Township Limits                                                                                                       | 21,549.07               | 61,397.03    | 82,352.90    | 47,183.50    |
| Wood cut at Harcourt, including labor and expenses                                                                                                         | 7,799.11                | -            | -            | -            |
| Wood from preceding year's Inventory at Camps and stranded in River (including portion of Interest, Expense and provision for Sinking Fund)                | -                       | -            | 6,469.06     | 35,761.59    |
| Driving Expenses                                                                                                                                           | 11,528.40               | 20,686.71    | 27,249.05    | 20,563.45    |
| Saw Mill operation                                                                                                                                         | 4,964.44                | 9,225.20     | 4,851.59     | 3,098.09     |
| Superintendence                                                                                                                                            | 483.87                  | 1,454.37     | 2,318.15     | 867.41       |
| Provision for Sinking Fund for Plant and Equipment                                                                                                         | 142.76                  | 473.12       | 530.46       | 481.32       |
| Operation and maintenance of dams                                                                                                                          | -                       | 1,941.72     | 2,995.38     | 7,137.35     |
| Bruton Taxes and Fire Ranger                                                                                                                               | 2,299.18                | 2,239.71     | 1,633.63     | 3,195.43     |
| Interest on Working Capital                                                                                                                                | 425.44                  | 3,913.65     | 6,207.39     | 4,692.66     |
| Interest on Plant and Equipment                                                                                                                            | 260.42                  | 1,409.85     | 1,596.17     | 1,759.82     |
| CARRYING CHARGES on Inventory of Pulpwood:                                                                                                                 |                         |              |              |              |
| Interest                                                                                                                                                   | -                       | -            | -            | 2,335.36     |
| Provision for Sinking Fund                                                                                                                                 | -                       | -            | -            | 90.00        |
| Insurance, Taxes, etc.                                                                                                                                     | -                       | -            | -            | 717.24       |
| Wood from preceding year's Inventory at Bancroft Mill (including portion of Interest, Expense and provision for Sinking Fund)                              | -                       | -            | 65,479.07    | 48,412.63    |
| Boom Timber used as pulpwood                                                                                                                               | -                       | -            | 3,355.09     | 150.00       |
|                                                                                                                                                            | \$59,382.08             | \$125,735.30 | \$227,822.74 | \$188,922.10 |
| LESS: Inventory at end of year before giving effect to decline in value of pulpwood (including portion of Interest Expense and provision for Sinking Fund) | -                       | 71,948.13    | 84,174.22    | 155,111.37   |
| Wood charged to Pulp Mill (Exhibit XIV)                                                                                                                    | \$59,382.08             | \$ 53,787.17 | \$143,648.52 | \$ 33,810.73 |
| (Including as part of the cost, a portion of the Interest on Capital Investment and on Working Capital; also portion of provision for Sinking Fund).       |                         |              |              |              |







## CENTRAL ONTARIO SYSTEM

## OSHAWA RURAL LINES - OPERATING ACCOUNT

For the Period from May 1, 1918 to October 31, 1921

| Particulars                                                      | Year ending October 31 |             |             |             |
|------------------------------------------------------------------|------------------------|-------------|-------------|-------------|
|                                                                  | 1918                   | 1919        | 1920        | 1921        |
| <u>REVENUE</u>                                                   | \$ 1,445.49            | \$ 5,947.00 | \$ 7,031.67 | \$ 8,658.34 |
| <u>COST OF OPERATING INCLUDING PORTION OF OVERHEAD EXPENSES:</u> |                        |             |             |             |
| Power Purchased                                                  | \$ 857.75              | \$ 2,360.00 | \$ 2,782.50 | \$ 2,548.00 |
| Distribution System-                                             |                        |             |             |             |
| Operating                                                        | -                      | 4.16        | 11.44       | 35.37       |
| Maintenance                                                      | 50.21                  | 631.09      | 327.05      | 489.80      |
| Transformers and Devices-                                        |                        |             |             |             |
| Operating                                                        | 11.00                  | 116.78      | 3.50        | 52.53       |
| Maintenance                                                      | -                      | 435.88      | 636.96      | 303.70      |
| Meters and Devices-                                              |                        |             |             |             |
| Operating                                                        | 3.47                   | 41.92       | 127.12      | 14.10       |
| Maintenance                                                      | -                      | 57.37       | -           | 123.34      |
| Street Lighting                                                  |                        |             |             |             |
| Operating                                                        | -                      | 11.30       | 50.97       | 102.27      |
| Maintenance                                                      | -                      | 1.07        | 33.41       | 2.88        |
| Consumers Accounts and new Business Expense                      | 21.62                  | 316.96      | 175.92      | 355.04      |
| Local Office Salaries and Expenses                               | 942.96                 | 595.34      | 563.00      | 546.70      |
| Portion of Head Office Expense                                   | 8.80                   | 23.91       | 114.29      | 226.96      |
| <u>Total Expenses</u>                                            | \$ 1,895.81            | \$ 4,595.78 | \$ 4,826.16 | \$ 4,800.69 |
| Balance                                                          | 450.32                 | \$ 1,351.22 | \$ 2,205.51 | \$ 3,857.65 |
| <u>ADD- MISCELLANEOUS INCOME</u>                                 | 6.85                   | 32.07       | 36.57       | 61.34       |
| Profit or Loss before deducting Fixed Charges                    | \$ 443.47              | \$ 1,383.29 | \$ 2,242.18 | \$ 3,918.99 |
| <u>DEDUCT- FIXED CHARGES:</u>                                    |                        |             |             |             |
| Interest                                                         | \$ 923.90              | \$ 1,616.34 | \$ 3,091.96 | \$ 3,399.92 |
| Reserve for Renewals of Plant and Equipment                      | 596.07                 | -           | 1,919.46    | 1,978.15    |
| Reserve for Sinking Fund                                         | 268.23                 | 516.86      | 536.52      | 562.93      |
|                                                                  | \$ 1,788.20            | \$ 2,133.20 | \$ 5,547.94 | \$ 5,941.00 |
| <u>LESS- Loss charged to Municipalities served</u>               | \$ 2,231.67            | \$ 749.91   | \$ 3,305.76 | \$ 2,022.01 |
|                                                                  | -                      | 749.91      | -           | 2,022.01    |
| <u>Net Loss</u>                                                  | \$ 2,231.67            | -           | \$ 3,305.76 | -           |



For the Period from May 1st

| Particulars                                     |  | 1921     | 1922     |
|-------------------------------------------------|--|----------|----------|
| REVENUE                                         |  | 75,120.7 | 80,100.0 |
| COST OF OPERATING INCLUDING PORTION OF OVERHEAD |  | 50,657.2 | 50,000.0 |
| EXPENSES:                                       |  |          |          |
| Power Generated                                 |  | 44.11    | 44.11    |
| Distribution System-                            |  | 50,723   | 50,723   |
| Operating                                       |  |          |          |
| Maintenance                                     |  |          |          |
| Transformers and Devices-                       |  | 50.3     | 50.3     |
| Operating                                       |  |          |          |
| Maintenance                                     |  |          |          |
| Motors and Devices-                             |  | 21,731   | 21,731   |
| Operating                                       |  |          |          |
| Maintenance                                     |  |          |          |
| Street Lighting                                 |  | 70.00    | 70.00    |
| Operating                                       |  |          |          |
| Maintenance                                     |  |          |          |
| Consumers' Accounts and New Business Expense    |  | 10.00    | 10.00    |
| Local Office Salaries and Expenses              |  | 10.00    | 10.00    |
| Portion of Head Office Expense                  |  | 10.00    | 10.00    |
| Total Expenses                                  |  | 50,657.2 | 50,000.0 |
| Balance                                         |  | 24,463.5 | 30,100.0 |
| ADD- MISCELLANEOUS INCOME                       |  | 10.00    | 10.00    |
| Profit or Loss before deducting Fixed Charges   |  | 24,473.5 | 30,110.0 |
| DEDUCT- FIXED CHARGES:                          |  |          |          |
| Interest                                        |  | 10,100.0 | 10,100.0 |
| Reserve for Renewals of Plant and Equipment     |  | 10,100.0 | 10,100.0 |
| Reserve for Sinking Fund                        |  | 10,100.0 | 10,100.0 |
| Total                                           |  | 30,300.0 | 30,300.0 |
| Loss charged to Municipalities served           |  | 5,826.5  | 0.0      |
| Net Loss                                        |  | 5,826.5  | 0.0      |



## CENTRAL ONTARIO SYSTEM

## NIPISSING POWER DEPARTMENT - OPERATING ACCOUNT

FOR THE PERIOD FROM NOVEMBER 1, 1918, to OCTOBER 31, 1921.

| Particulars                                         | Year ending October 31 |             |             |             |
|-----------------------------------------------------|------------------------|-------------|-------------|-------------|
|                                                     | 1918                   | 1919        | 1920        | 1921        |
| REVENUE (Power Supplied to Nipissing Local Systems) | \$32,781.57            | \$45,903.33 | \$51,983.37 | \$53,539.97 |
| COST OF OPERATION INCLUDING PORTION OF OVERHEAD     |                        |             |             |             |
| EXPENSES:                                           |                        |             |             |             |
| Power Development-                                  |                        |             |             |             |
| Steam Plant                                         |                        |             |             |             |
| Operating                                           | \$13,168.13            | \$ 7,014.38 | \$17,121.16 | \$10,660.94 |
| Maintenance                                         | 1,153.49               | 1,770.69    | 874.06      | 762.09      |
| Hydraulic Power House-                              |                        |             |             |             |
| Operating                                           | 3,625.96               | 4,422.65    | 5,461.91    | 8,709.93    |
| Maintenance                                         | 2,470.31               | 758.86      | 3,781.09    | 4,983.22    |
| Lines-                                              |                        |             |             |             |
| Maintenance including patrolling, etc.              | 640.16                 | 1,204.65    | 1,230.35    | 2,389.47    |
| Distributing Stations-                              |                        |             |             |             |
| Operating                                           | 128.79                 | 127.54      | 162.50      | 814.79      |
| Maintenance                                         | 661.72                 | 387.36      | 339.67      | 177.16      |
| Portion of Head Office Expense                      | 1,374.55               | 1,232.76    | 1,855.64    | 1,047.19    |
| Field Office Salaries                               | 616.44                 | 617.25      | 1,257.25    | 1,528.00    |
| Workmen's Compensation Insurance and Taxes          | 1,393.47               | 27.84       | 1,777.14    | 981.23      |
| Miscellaneous and General Expenses                  | 784.49                 | 1,475.74    | 1,018.17    | 447.86      |
| Total Expenses                                      | \$26,017.51            | \$19,039.72 | \$34,878.94 | \$32,501.88 |
| Balance                                             | \$ 6,764.06            | \$26,863.61 | \$17,104.43 | \$21,038.09 |
| ADD - MISCELLANEOUS INCOME                          | -                      | 43.69       | 51.03       | 46.00       |
| Profit before deducting Fixed Charges               | \$ 6,764.06            | \$26,907.30 | \$17,155.46 | \$21,084.09 |
| FIXED CHARGES:                                      |                        |             |             |             |
| Interest                                            | \$15,919.99            | \$16,159.95 | \$17,252.07 | \$20,256.76 |
| Provision for Renewal of Plant and Equipment        | 7,682.35               | 7,860.98    | 8,139.68    | 9,333.69    |
| Provision for Contingencies                         | 210.25                 | 278.44      | 324.87      | 334.63      |
| Total Fixed Charges                                 | \$23,812.59            | \$24,299.37 | \$25,716.62 | \$29,925.08 |
| Net Profit or Loss                                  | \$17,048.53            | \$ 2,607.93 | \$ 8,561.16 | \$ 8,840.99 |

## NOTE:

Operating Account of this department for the period beginning March 1, 1916, and ending October 31, 1917, merged with the operating account of the Nipissing Local Systems as per Exhibit XVIII as separate accounts were not kept by the Commission during this period.



| Particulars                                               |            |  |
|-----------------------------------------------------------|------------|--|
| HYDRO-ELECTRIC (Power supplied to Highways Local Systems) |            |  |
| COST OF OPERATION INCLUDING PORTION OF OVERHEAD           |            |  |
| EXPENSES:                                                 |            |  |
| Power Development-                                        |            |  |
| Steam Plant                                               | 51,151,715 |  |
| Operating                                                 | 50,478     |  |
| Maintenance                                               |            |  |
| Hydraulic Power House-                                    |            |  |
| Operating                                                 | 50,157,5   |  |
| Maintenance                                               |            |  |
| Lines-                                                    |            |  |
| Maintenance including patrolling, etc.                    |            |  |
| Distributing Stations-                                    |            |  |
| Operating                                                 |            |  |
| Maintenance                                               |            |  |
| Portion of Head Office Expenses                           |            |  |
| Field Office Salaries                                     |            |  |
| Workmen's Compensation Insurance and Taxes                |            |  |
| Miscellaneous and General Expenses                        |            |  |
| Total Expenses                                            | 50,705,225 |  |
| Balance                                                   | 50,855,125 |  |
| ADD - MISCELLANEOUS INCOME                                |            |  |
| Profit before deducting Fixed Charges                     | 50,855,125 |  |
| FIXED CHARGES:                                            |            |  |
| Interest                                                  |            |  |
| Provision for Renewal of Plant and Equipment              |            |  |
| Provision for Contingencies                               |            |  |
| Total Fixed Charges                                       | 50,855,125 |  |
| Net Profit or Loss                                        | 50,855,125 |  |

NOTE:  
Operating Account of the  
March 1, 1916, and on  
operating account of  
Exhibit XVII as per  
Commission during the



CENTRAL ONTARIO SYSTEM  
NIPISSING LOCAL DISTRIBUTING SYSTEMS

OPERATING ACCOUNT

For the Period from November 1, 1917 to October 31, 1921

| Particulars                                                                                   | Year ending October 31 |             |             |             |
|-----------------------------------------------------------------------------------------------|------------------------|-------------|-------------|-------------|
|                                                                                               | 1918                   | 1919        | 1920        | 1921        |
| <u>REVENUE</u>                                                                                | \$66,626.23            | \$74,014.08 | \$80,715.94 | \$91,369.04 |
| <u>COST OF OPERATING INCLUDING PORTION OF OVERHEAD</u>                                        |                        |             |             |             |
| <u>EXPENSE:</u>                                                                               | \$32,781.57            | \$45,903.33 | \$51,983.37 | \$53,539.97 |
| Power purchased                                                                               |                        |             |             |             |
| Distribution System-                                                                          | 356.02                 | 223.95      | 194.29      | 370.53      |
| Operating                                                                                     | 1,173.30               | 1,588.66    | 1,036.99    | 2,825.64    |
| Maintenance                                                                                   |                        |             |             |             |
| Transformers and Devices-                                                                     |                        |             |             |             |
| Operating                                                                                     | 113.31                 | 83.51       | 317.67      | 1,133.46    |
| Maintenance                                                                                   | 215.07                 | 12.10       | 23.28       | 721.31      |
| Meters and Devices-                                                                           |                        |             |             |             |
| Operating                                                                                     | 430.91                 | 827.27      | 576.71      | 714.09      |
| Maintenance                                                                                   | 246.42                 | 158.85      | 164.78      | 48.55       |
| Street Lighting                                                                               |                        |             |             |             |
| Operating                                                                                     | 1,470.67               | 2,070.55    | 2,523.87    | 2,569.30    |
| Maintenance                                                                                   | 232.03                 | 207.23      | 324.37      | 1,314.47    |
| Stores and Utilities-                                                                         |                        |             |             |             |
| Operating                                                                                     | 2,635.45               | 3,310.84    | 2,218.84    | 203.85      |
| Maintenance                                                                                   | 199.75                 | 450.00      | 168.98      | 441.23      |
| Consumers Accounts and New Business Expense                                                   | 1,303.07               | 2,486.61    | 2,050.28    | 1,968.67    |
| Salaries of Local Officers and Clerks                                                         | 5,829.75               | 5,528.05    | 6,204.01    | 6,089.60    |
| Miscellaneous Office Salaries and Expenses                                                    | 4,973.15               | 3,866.38    | 4,251.91    | 5,517.18    |
| Maintenance Office Buildings and Equipment                                                    | 136.19                 | 152.79      | 296.84      | 176.64      |
| Portion of Head Office Expense, including Engineering Salaries and Municipal Auditing Expense | 3,573.55               | 1,265.79    | 1,611.86    | 1,746.34    |
| <u>Total Expenses</u>                                                                         | \$55,670.26            | \$68,211.71 | \$73,948.05 | \$79,380.83 |
| <u>Balance</u>                                                                                | \$10,955.97            | \$ 5,802.37 | \$ 6,767.89 | \$11,988.21 |
| <u>ADD- Profit on Sale of Merchandise, etc.</u>                                               | 3,100.67               | 3,105.67    | 4,036.78    | 3,088.60    |
| <u>Profit before deducting Fixed Charges</u>                                                  | \$14,056.64            | \$ 8,908.04 | \$10,804.67 | \$15,076.81 |
| <u>Deduct- Fixed Charges-</u>                                                                 |                        |             |             |             |
| Interest                                                                                      | 7,473.46               | 7,500.47    | 7,442.79    | 7,841.79    |
| Provision for Renewal of Plant and Equipment                                                  | 5,183.28               | 5,105.03    | 4,980.43    | 5,197.93    |
| <u>Total Fixed Charges</u>                                                                    | \$12,656.74            | \$12,605.50 | \$12,423.22 | \$13,039.72 |
| <u>Net Profit or Loss</u>                                                                     | \$ 1,399.90            | \$ 3,697.46 | \$ 1,618.55 | \$ 2,037.09 |

NOTE:

Operating account for the period beginning March 1, 1916, and ended October 31, 1917, merged with operating account of the Nipissing Power Department as per Exhibit XVIII as separate accounts were not kept by the Commission during this period.



For the Period from November

| Particulars                                            | 1911       | 1912       | 1913       |
|--------------------------------------------------------|------------|------------|------------|
| <b>REVENUE</b>                                         | 40,000.00  | 40,000.00  | 40,000.00  |
| <b>COST OF OPERATING INCLUDING PORTION OF OVERHEAD</b> |            |            |            |
| EXPENSE:                                               |            |            |            |
| Power purchased                                        | 10,000.00  | 10,000.00  | 10,000.00  |
| Distribution System                                    | 5,000.00   | 5,000.00   | 5,000.00   |
| Operating                                              | 5,000.00   | 5,000.00   | 5,000.00   |
| Maintenance                                            | 5,000.00   | 5,000.00   | 5,000.00   |
| Transformers and Devices-                              |            |            |            |
| Operating                                              | 5,000.00   | 5,000.00   | 5,000.00   |
| Maintenance                                            | 5,000.00   | 5,000.00   | 5,000.00   |
| Meters and Devices-                                    |            |            |            |
| Operating                                              | 5,000.00   | 5,000.00   | 5,000.00   |
| Maintenance                                            | 5,000.00   | 5,000.00   | 5,000.00   |
| Street Lighting                                        | 5,000.00   | 5,000.00   | 5,000.00   |
| Operating                                              | 5,000.00   | 5,000.00   | 5,000.00   |
| Maintenance                                            | 5,000.00   | 5,000.00   | 5,000.00   |
| Stores and Utilities-                                  |            |            |            |
| Operating                                              | 5,000.00   | 5,000.00   | 5,000.00   |
| Maintenance                                            | 5,000.00   | 5,000.00   | 5,000.00   |
| Consumers Accounts and New Business Expense            | 5,000.00   | 5,000.00   | 5,000.00   |
| Salaries of Local Officers and Clerks                  | 5,000.00   | 5,000.00   | 5,000.00   |
| Miscellaneous Office Salaries and Expense              | 5,000.00   | 5,000.00   | 5,000.00   |
| Maintenance Office Building and Equipment              | 5,000.00   | 5,000.00   | 5,000.00   |
| Portion of Head Office Expense, including Engineering  | 5,000.00   | 5,000.00   | 5,000.00   |
| Salaries and Municipal Auditing Expense                | 5,000.00   | 5,000.00   | 5,000.00   |
| <b>Total Expenses</b>                                  | 100,000.00 | 100,000.00 | 100,000.00 |
| <b>Balance</b>                                         | 0.00       | 0.00       | 0.00       |
| <b>ADD- Profit on Sale of Merchandise, etc.</b>        | 0.00       | 0.00       | 0.00       |
| <b>Profit before deducting fixed charges</b>           | 0.00       | 0.00       | 0.00       |
| <b>Deduct- Fixed Charges-</b>                          |            |            |            |
| Interest                                               | 0.00       | 0.00       | 0.00       |
| Provision for Renewal of Plant and Equipment           | 0.00       | 0.00       | 0.00       |
| <b>Total Fixed Charges</b>                             | 0.00       | 0.00       | 0.00       |
| <b>Net Profit or Loss</b>                              | 0.00       | 0.00       | 0.00       |

NOTE:  
 Operating account for the period beginning March 1, 1911  
 merged with operating account of the Wipensing Power  
 as separate accounts were not kept by the Commission



CENTRAL ONTARIO SYSTEMNIPISSING POWER AND LOCAL DISTRIBUTION SYSTEMS  
OPERATING ACCOUNTFor the Period from March 1, 1916 to October 31, 1917

|                                                                                                 |                     |
|-------------------------------------------------------------------------------------------------|---------------------|
| <u>REVENUE:</u>                                                                                 | <u>\$117,668.04</u> |
| Cost of Operations including Portion of Administrative Expense:                                 |                     |
| Power Development-                                                                              |                     |
| Steam Plant-                                                                                    |                     |
| Operating                                                                                       | 8,358.02            |
| Maintenance                                                                                     | 608.27              |
| Hydraulic Power Plant-                                                                          |                     |
| Operating                                                                                       | 18,099.24           |
| Maintenance                                                                                     | 2,056.08            |
| Transmission Lines-                                                                             |                     |
| Operating                                                                                       | 1,641.48            |
| Maintenance                                                                                     | 398.45              |
| Distribution-                                                                                   |                     |
| Operating                                                                                       | 1,443.10            |
| Maintenance                                                                                     | 3,852.74            |
| Street Lighting-                                                                                |                     |
| Operating including Maintenance                                                                 | 3,685.31            |
| Stores and Utilities-                                                                           |                     |
| Operating                                                                                       | 839.17              |
| Maintenance                                                                                     | 92.56               |
| Consumers Accounts and New Business Expense                                                     | 744.17              |
| Salaries Officers and Clerks                                                                    | 14,459.80           |
| Miscellaneous Supplies and Expenses                                                             | 4,027.52            |
| Insurance, Rents, Taxes, etc.                                                                   | 5,667.56            |
| Portion of Head Office Expense, including engineering, salaries, and municipal auditing expense | 2,826.31            |
| <u>Total Expenses</u>                                                                           | <u>\$ 68,799.78</u> |
| <u>Balance</u>                                                                                  | <u>\$ 48,868.26</u> |
| Add- Profit on sale of Merchandise, etc.                                                        | <u>4,063.52</u>     |
| <u>Profit before deducting Fixed Charges</u>                                                    | <u>\$ 52,931.78</u> |
| Deduct- <u>Fixed Charges:</u>                                                                   |                     |
| Interest                                                                                        | \$ 36,313.63        |
| Provision for renewal of Plant and Equipment                                                    | 18,348.76           |
| Provision for contingencies                                                                     | 198.75              |
| <u>Total Fixed Charges</u>                                                                      | <u>\$ 54,861.14</u> |
| <u>Net Loss</u>                                                                                 | <u>\$ 1,929.36</u>  |

NOTE:

Separate operating accounts are submitted for the Power Department and the Local Distribution Systems beginning with November 1, 1917, in accordance with changes in the accounting system at that date.







## CENTRAL ONTARIO SYSTEM

STATEMENT SHOWING THE ANALYSIS OF REVENUE AND OF THE  
OPERATING LOSS OF THE POWER DEPARTMENT FOR THE THREE YEARS  
ENDING OCTOBER 31, 1921

| Particulars                                                       | Basis<br>of<br>Charge | Year ending October 31, 1919 |                      | Year ending October 31, 1920 |                      | Year ending October 31, 1921 |                      |
|-------------------------------------------------------------------|-----------------------|------------------------------|----------------------|------------------------------|----------------------|------------------------------|----------------------|
|                                                                   |                       | Revenue                      | Profit<br>or<br>Loss | Revenue                      | Profit<br>or<br>Loss | Revenue                      | Profit<br>or<br>Loss |
| Sundry Companies in Campbellford                                  | Fixed Rate            | \$ 6,814.37                  | \$ 7,102.58          | \$ 1,861.95                  | \$ 10,529.90         | \$ 3,221.96                  | \$ 3,844.90          |
| Canada Cement Company                                             | do                    | 45,158.15                    | 9,923.30             | 52,764.18                    | 11,507.30            | 68,326.21                    | 51,860.57            |
| Canadian Pacific Railway                                          | do                    | 300.00                       | 26.95                | 300.00                       | 53.79                | 300.00                       | 64.04                |
| Canadian Woollens Limited                                         | do                    | 2,053.13                     | 320.59               | 2,301.95                     | 168.00               | 2,389.24                     | 201.93               |
| Chemical Products Company, Limited                                | do                    | 8,007.39                     | -                    | 3,088.39                     | -                    | 5,784.38                     | 490.99               |
| Deloro Smelting & Refining Company                                | do                    | 16,248.53                    | 8,358.27             | 21,454.78                    | 2,289.47             | 18,606.90                    | 1,268.65             |
| Sundry Companies in Frankford                                     | do                    | 6,757.16                     | 478.01               | 8,207.01                     | 901.74               | 24,482.95                    | 4,417.51             |
| Miller, W. W.                                                     | do                    | -                            | -                    | 76.25                        | 47.23                | 182.19                       | 23.40                |
| Nichols Chemical Company                                          | do                    | 13,441.08                    | 3,003.93             | 15,755.37                    | 3,757.10             | 17,045.05                    | 1,949.35             |
| Ontario Rock Company                                              | do                    | -                            | -                    | 3,113.11                     | 806.12               | 15,962.34                    | 4,456.63             |
| Feebles G. M.                                                     | do                    | 2,017.87                     | 725.55               | 2,694.33                     | 9.36                 | 3,019.25                     | 257.52               |
| Point Anne Quarries                                               | do                    | 8,665.80                     | 3,228.07             | 9,538.49                     | 3,144.95             | 12,409.01                    | 271.85               |
| Sheehy & Sons                                                     | do                    | -                            | -                    | -                            | -                    | 978.80                       | 499.67               |
| Briggs and Turwas                                                 | do                    | -                            | -                    | 4,219.80                     | -                    | -                            | -                    |
| Kingston                                                          | do                    | 39,300.33                    | 14,142.34            | 47,245.77                    | 12,754.10            | 51,738.14                    | 8,746.48             |
| Madoc, including Companies                                        | do                    | 34,065.51                    | 1,141.58             | 35,552.57                    | 342.00               | 21,076.12                    | 2,085.75             |
| Omamee                                                            | do                    | 961.78                       | 46.71                | 1,250.95                     | 1,130.26             | 1,889.35                     | 386.22               |
| Stirling                                                          | do                    | 1,785.17                     | 152.82               | 1,872.25                     | 7.50                 | 2,351.00                     | 33.32                |
| Whitby Rural Line                                                 | do                    | -                            | -                    | 351.64                       | 31.36                | 454.72                       | 384.11               |
| Hoard's Rural Line                                                | do                    | 1,735.81                     | 3,465.25             | 1,875.50                     | 3,295.49             | 2,012.44                     | 898.97               |
| Adjustments in respect of uncollectible<br>accounts               |                       | 8,660.81                     | 8,660.81             | -                            | -                    | -                            | -                    |
| <b>Total</b>                                                      |                       | \$178,651.27                 | 60,722.66            | \$213,524.29                 | 246,458.91           | \$252,230.05                 | 62,775.62            |
| Service and Construction Departments                              |                       | 850.00                       | 1,571.06             | 292.49                       | 60.04                | 3,020.51                     | 298.90               |
| Power supplied Certain Municipalities at<br>cost                  |                       | 75,295.53                    | 27,003.93            | 92,909.87                    | 16,377.68            | 139,232.01                   | -                    |
| Local Electric Systems                                            |                       | 254,796.80                   | \$ 89,297.65         | \$306,726.65                 | \$ 62,776.55         | \$394,482.57                 | \$63,074.52          |
| Campbellford Pulp Mill                                            |                       | 195,942.38                   | 61,288.99            | 335,907.27                   | 32,315.54            | 302,842.33                   | cost                 |
| Peterborough Radial Railway                                       |                       | 39,099.66                    | 18,192.55            | 39,243.87                    | 10,495.20            | 28,866.43                    | cost                 |
|                                                                   |                       | 6,295.63                     | 5,283.79             | 6,695.08                     | 5,457.87             | 16,186.07                    | cost                 |
| Less- Adjustment in respect of water<br>rentals included in above |                       | \$496,134.47                 | \$174,062.98         | \$688,572.87                 | \$ 46,414.08         | \$742,377.40                 | \$ 63,074.52         |
|                                                                   |                       |                              | 31,824.00            |                              | 2,512.00             |                              |                      |
|                                                                   |                       |                              | \$142,238.98         |                              | \$ 43,902.08         |                              | \$ 63,074.52         |
| Add- Miscellaneous Income                                         |                       |                              | 3,549.44             |                              | 3,395.94             |                              | 4,040.84             |
| Loss- per Operating Accounts                                      |                       |                              | \$138,689.54         |                              | \$ 40,506.14         |                              | \$ 59,033.68         |

## Note-

The losses shown above for 1919 and 1920 in respect of power supplied to Certain Municipalities at cost have been charged back to the Municipalities.

The profit or losses as shown above during 1919 and 1920 in connection with power supplied to the Local Electric Systems, the Campbellford Pulp Mill and the Peterborough Radial Railway have been adjusted by us, as will be seen by reference to our comments on the results of operation.



STATEMENT SHOWING THE ANALYSIS  
OPERATING LOSS OF THE POWER UNIT  
ENDING OCTOBER

| Particulars                                                   |  | 1931      | 1930      |
|---------------------------------------------------------------|--|-----------|-----------|
| Sundry Companies in Campbellton                               |  | 62,955.01 | 62,955.01 |
| Canada Cement Company                                         |  | 12,552.88 | 12,552.88 |
| Canadian Pacific Railway                                      |  | 27.33     | 27.33     |
| Canadian Woolens Limited                                      |  | 60,601    | 60,601    |
| Chemical Products Company, Limited                            |  | -         | -         |
| Deloro Smelting & Refining Company                            |  | 94,932.2  | 94,932.2  |
| Sundry Companies in Frankford                                 |  | 47,102    | 47,102    |
| Miller, W. W.                                                 |  | 51,261    | 51,261    |
| Nichols Chemical Company                                      |  | 545.71    | 545.71    |
| Ontario Rock Company                                          |  | 42,222.51 | 42,222.51 |
| Point Anne Quarries                                           |  | 10,502.21 | 10,502.21 |
| Shoeny & Sons                                                 |  | 28,272    | 28,272    |
| Bridges and Turners                                           |  | -         | -         |
| Kingston                                                      |  | 61,477.12 | 61,477.12 |
| Madoc, including Companies                                    |  | 60,242    | 60,242    |
| Owen Sound                                                    |  | 60,242.1  | 60,242.1  |
| Stirling                                                      |  | 247       | 247       |
| Whitby Rural Line                                             |  | 2,122     | 2,122     |
| Horseshoe Rural Line                                          |  | 2,122.2   | 2,122.2   |
| Adjustments in respect of uncollectible accounts              |  | -         | -         |
| Total                                                         |  | 62,955.01 | 62,955.01 |
| Service and Construction Departments                          |  | 250.00    | 250.00    |
| Power supplied Certain Municipalities at cost                 |  | 73,222.22 | 73,222.22 |
| Local Electric Systems                                        |  | 22,222.22 | 22,222.22 |
| Campbellton Pulp Mill                                         |  | 22,222.22 | 22,222.22 |
| Peterborough Radial Railway                                   |  | 22,222.22 | 22,222.22 |
| Loss-Adjustment in respect of water rentals included in above |  | 22,222.22 | 22,222.22 |
| Add-Miscellaneous Income                                      |  | 22,222.22 | 22,222.22 |
| Loss-per Operating Accounts                                   |  | 22,222.22 | 22,222.22 |

Note-  
The losses shown above for 1931 and 1930 in respect of power supplied to Certain Municipalities at cost have been charged back to the Municipalities.  
The profit or losses as shown above during 1931 and 1930 in connection with power supplied to the Local Electric Systems, the Campbellton Pulp Mill and the Peterborough Radial Railway have been adjusted up or down, as will be seen by reference to our comments on the results of operation.



## CENTRAL ONTARIO SYSTEM

LIST OF THE MORE IMPORTANT CUSTOMERS RECEIVING ELECTRICAL  
ENERGY DIRECT FROM THE POWER DEPARTMENT AT FIXED RATES

| Customer                           | Rate charged during Year<br>ending, October 31, 1921 | Contracts covering Rates                                                                                                                                                                                                                                   |                   | Remarks          |                                                                             |
|------------------------------------|------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|------------------|-----------------------------------------------------------------------------|
|                                    |                                                      | Date Made                                                                                                                                                                                                                                                  | Date Expires      |                  |                                                                             |
| Asbestos Pulp Company              |                                                      | \$32.50 per H.P. per annum                                                                                                                                                                                                                                 | August 18, 1916   | August 18, 1921  | Contract automatically renewed                                              |
| Chemical Products Limited          | Service Charge<br>Consumption Charge                 | \$ 9.00 per H.P. per annum<br>1.6¢ per K.W.H. for all Consumption up to the first 50 hours monthly use of maximum demand.<br>1¢ per K.W.H. for the next 50 hours monthly use of maximum demand.<br>15/100 cents per K.W.H. for all additional consumption. | November 3, 1920  | November 3, 1921 | Contract automatically renewed                                              |
| Canadian Paperboard Company        | Service Charge<br>Consumption Charge                 | \$12.00 per H.P. per annum<br>2.33¢ per K.W.H. for all consumption up to the first 50 hours monthly use of maximum demand<br>1.56¢ per K.W.H. for the next 50 hours use of maximum demand.<br>.167¢ per K.W.H. for all additional consumption.             | December 14, 1920 | January 1, 1922  | Contract renewed for one year at same rates                                 |
| Canada Cement Company              | Service Charge<br>Consumption Charge                 | \$6.00 per H.P. per annum<br>\$11.76 per H.P. per annum                                                                                                                                                                                                    | February 23, 1910 | March 1, 1925    | Customer has option to renew contract for a further period of fifteen years |
| Canadian Pacific Railway           |                                                      | \$30.00 per H.P. per annum                                                                                                                                                                                                                                 | January 31, 1914  | January 31, 1924 |                                                                             |
| Canadian Woollens Limited          |                                                      | \$750.00 per annum for the first 250 H.P. and \$22.22 per H.P. per annum for all power taken in excess of 250 H.P.                                                                                                                                         | May 29, 1917      | Continuous       |                                                                             |
| Department of Railways and Canals  |                                                      | \$12.00 per H.P. per annum                                                                                                                                                                                                                                 | 1912              | Continuous       |                                                                             |
| Deloro Smelting & Refining Company |                                                      | \$29.00 per H.P. per annum                                                                                                                                                                                                                                 | January 4, 1920   | December 6, 1924 |                                                                             |
| Frankford Cooperage Company        | Service Charge<br>Consumption Charge                 | \$12.00 per H.P. per annum<br>2.33¢ per K.W.H. for all consumption up to the first 50 hours monthly use of maximum demand.<br>1.56¢ per K.W.H. for the next 50 hours use of maximum demand and .167¢ per K.W.H. for all additional consumption.            | April 1, 1921     | April 1, 1922    | Terminated by written notice only.<br>Contract still in effect              |



LIST OF THE MOST IMPORTANT  
MURDER DIRECT FROM THE POWER

| Customer                           | Rate charged during Year ending October 31, 1931                                                                                                                                                                                         |
|------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Asbestos Refractory Company        | \$221.32.00 per M.P. per annum                                                                                                                                                                                                           |
| Chemical Products Limited          | \$9.00 per M.P. per annum<br>1.5¢ per K.W.H. for all consumption up to the first hour monthly use of maximum demand.<br>1¢ per K.W.H. for the next 10 hours monthly use of maximum demand.<br>15¢ per K.W.H. for additional consumption. |
| Canadian Paperboard Company        | \$12.00 per M.P. per annum<br>2.5¢ per K.W.H. for all consumption up to the first hour monthly use of maximum demand.<br>1.5¢ per K.W.H. for the next 10 hours use of maximum demand.<br>1¢ per K.W.H. for all additional consumption.   |
| Canada Cement Company              | \$11.75 per M.P. per annum<br>1.5¢ per K.W.H. for all consumption up to the first hour monthly use of maximum demand.<br>1.5¢ per K.W.H. for the next 10 hours use of maximum demand.<br>1.5¢ per K.W.H. for all additional consumption. |
| Canadian Pacific Railway           | \$30.00 per M.P. per annum                                                                                                                                                                                                               |
| Canadian Woolens Limited           | \$750.00 per annum for the first 250 H.P. and \$25.00 per H.P. for additional H.P.                                                                                                                                                       |
| Department of Railways and Canals  | \$12.00 per M.P. per annum                                                                                                                                                                                                               |
| DeLoro Smelting & Refining Company | \$20.00 per M.P. per annum                                                                                                                                                                                                               |
| Frankford Copper Company           | \$12.00 per M.P. per annum<br>2.5¢ per K.W.H. for all consumption up to the first hour monthly use of maximum demand.<br>1.5¢ per K.W.H. for the next 10 hours use of maximum demand and 1¢ per K.W.H. for all additional consumption.   |



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| Customer                  | Rate charged during Year<br>ending October 31, 1921                                                                                                              | Contracts covering Rates |                                                   | Remarks                                              |
|---------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|---------------------------------------------------|------------------------------------------------------|
|                           |                                                                                                                                                                  | Date Made                | Date Expires                                      |                                                      |
| Gillespie & Company, G.H. | \$32.50 per H.P. per annum                                                                                                                                       | December 6, 1920         | November 1, 1921                                  | Contract automatically renewed                       |
| Madoc, Corporation of     | \$25.00 per H.P. per annum for<br>continuous 24 hours service<br>and \$12.50 per H.P. per annum<br>for power sold to small con-<br>sumers during daylight hours. | October 8, 1909          | January 1, 1920                                   | Renewed for a further period of<br>10 years          |
| Nichols Chemical Company  | \$40.00 per H.P. per annum                                                                                                                                       | September 28, 1920       | August 1, 1921                                    | Contract automatically renewed                       |
| Peebles, G. M.            | \$30.00 per H.P. per annum                                                                                                                                       | October 1, 1919          | April 1, 1924                                     |                                                      |
| Point Anne Quarrie        | \$31.00 per H.P. per annum                                                                                                                                       | March 23, 1921           | March 20, 1922                                    | Contract automatically renewed                       |
| Stirling, Corporation of  | \$20.00 per H.P. per annum                                                                                                                                       | September 30, 1909       | January 1, 1920                                   | Contract renewed for a further<br>period of 10 years |
| Whitby, Corporation of    | \$29.00 per H.P. per annum                                                                                                                                       | No contract signed       |                                                   | The rate of \$29.00 is an interim<br>rate only       |
| Kingston                  | \$28.00 per H.P. per annum                                                                                                                                       | September 4, 1916        | 20 years from<br>date first power<br>was supplied | For further details see Exhibit<br>attached hereto   |
| Omamee                    | \$39.39 per H.P. per annum                                                                                                                                       | April 4, 1917            | 20 years from<br>date first power<br>was supplied |                                                      |
| Ontario Rock Company      | \$31.00 per H.P. per annum                                                                                                                                       | January 3, 1920          | June 1, 1930                                      |                                                      |
| Sheehy & Sons             | \$36.36 per H.P. per annum                                                                                                                                       | May 30, 1921             | June 15, 1922                                     | Contract automatically renewed                       |







## CENTRAL ONTARIO SYSTEM

## SUMMARY OF PROFIT OR LOSS BY MUNICIPALITIES

For the Period from March 1, 1916 to October 31, 1921

| Municipalities                                                                                             | One Year and<br>Eight Months<br>ending<br>October 31<br>1917 | Year ending October 31, |              |              |              | Total        |
|------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------|-------------------------|--------------|--------------|--------------|--------------|
|                                                                                                            |                                                              | 1918                    | 1919         | 1920         | 1921         |              |
| <u>LOCAL ELECTRIC SYSTEMS:</u>                                                                             |                                                              |                         |              |              |              |              |
| Belleville                                                                                                 | \$ 31,146.56                                                 | \$ 24,152.14            | \$ 12,084.73 | \$ 21,032.78 | \$ 26,726.56 | \$115,142.77 |
| Bowmanville                                                                                                | 8,015.68                                                     | 308.68                  | 6,991.44     | 1,520.77     | 1,167.60     | 1,355.45     |
| Brighton                                                                                                   | 161.24                                                       | 348.17                  | 259.98       | 882.69       | 2,175.21     | 2,808.47     |
| Cobourg                                                                                                    | 5,852.08                                                     | 8,230.83                | 6,743.40     | 11,107.38    | 15,176.24    | 47,109.93    |
| Deseronto                                                                                                  | 446.28                                                       | 3,218.14                | 1,058.64     | 3,732.78     | 388.10       | 738.90       |
| Lindsay                                                                                                    | 5,365.50                                                     | 13,824.79               | 2,946.65     | 7,156.85     | 9,006.34     | 32,406.83    |
| Millbrook                                                                                                  | 455.78                                                       | 304.12                  | 67.78        | 181.62       | 222.50       | 320.24       |
| Napanee                                                                                                    | 488.02                                                       | 405.95                  | 2,954.06     | 1,264.04     | 1,117.51     | 4,441.64     |
| Newburgh                                                                                                   | 611.34                                                       | 623.91                  | 2,915.90     | 858.10       | 398.44       | 3,388.13     |
| Newcastle                                                                                                  | 10.49                                                        | 216.96                  | 101.73       | 347.93       | 400.94       | 1,057.07     |
| Orono                                                                                                      | 510.09                                                       | 204.12                  | 192.69       | 190.01       | 3.08         | 1,093.83     |
| Oshawa                                                                                                     | 18,672.80                                                    | 9,220.50                | 2,579.26     | 23,797.58    | 30,162.90    | 79,274.52    |
| Port Hope                                                                                                  | 3,484.70                                                     | 3,556.75                | 883.72       | 2,630.61     | 1,593.37     | 12,149.15    |
| Trenton                                                                                                    | 14,932.83                                                    | 35,794.01               | 7,685.84     | 1,974.21     | 2,591.42     | 62,978.31    |
| Tweed                                                                                                      | 460.93                                                       | 955.76                  | 1,892.41     | 3,002.39     | 1,592.62     | 6,992.25     |
| Peterborough                                                                                               | 778.42                                                       | 604.32                  | -            | -            | -            | 174.10       |
| <u>Total</u>                                                                                               | \$ 89,492.44                                                 | \$ 97,495.23            | \$ 6,545.95  | \$ 58,560.34 | \$ 84,516.21 | \$336,610.17 |
| Adjustments included in above<br>required to charge the Local<br>Electric Systems actual cost<br>for power | -                                                            | -                       | 61,288.99    | 32,315.54    | -            | 28,973.45    |
| <u>Profit per Operating Accounts</u>                                                                       | \$ 89,492.44                                                 | \$ 97,495.23            | \$ 67,834.94 | \$ 26,244.80 | \$ 84,516.21 | \$365,583.62 |
|                                                                                                            |                                                              |                         |              |              |              |              |
| <u>GAS WORKS:</u>                                                                                          |                                                              |                         |              |              |              |              |
| Cobourg                                                                                                    | \$ 12,670.74                                                 | \$ 4,963.98             | \$ 3,750.70  | \$ 6,320.04  | \$ 7,680.33  | \$ 35,385.79 |
| Napanee                                                                                                    | 7,894.56                                                     | 4,319.22                | 6,234.47     | 4,624.19     | 3,715.39     | 26,787.83    |
| Oshawa                                                                                                     | 1,917.19                                                     | 6,264.60                | 10,075.93    | 7,587.12     | 10,067.45    | 35,912.29    |
| Peterborough                                                                                               | 9,248.18                                                     | 11,299.47               | 3,818.31     | 4,969.20     | 12,808.66    | 6,588.10     |
| <u>Loss per Operating Accounts</u>                                                                         | \$ 31,730.67                                                 | \$ 26,847.27            | \$ 23,879.41 | \$ 13,562.15 | \$ 8,654.51  | \$104,674.01 |







## CENTRAL ONTARIO SYSTEM

## GAS WORKS

## OUTPUT OF GAS PLANTS

| O U T P U T - C U B I C F E E T                                           |                                        |                                      |                                      |                                        |                                            |
|---------------------------------------------------------------------------|----------------------------------------|--------------------------------------|--------------------------------------|----------------------------------------|--------------------------------------------|
| Municipality                                                              | March 1, 1916 to<br>October 31<br>1917 | Year ending<br>October 31<br>1918    | Year ending<br>October 31<br>1919    | Year ending<br>October 31<br>1920      | Year ending<br>October 31<br>1921          |
| Peterborough                                                              | 63,852,700                             | 44,978,300                           | 43,517,600                           | 52,396,700                             | 61,609,400                                 |
| Oshawa                                                                    | 38,605,163                             | 28,717,846                           | 30,227,055                           | 31,261,638                             | 28,484,985                                 |
| Cobourg                                                                   | 14,289,193                             | 8,506,903                            | 8,308,820                            | 8,561,874                              | 8,130,779                                  |
| Napanee                                                                   | 9,591,898                              | 5,939,296                            | 5,438,635                            | 4,542,000                              | 3,220,400                                  |
|                                                                           | 126,338,954                            | 88,142,345                           | 87,492,110                           | 96,762,212                             | 101,445,564                                |
| R A T E S C H A R G E D P E R T H O U S A N D C U B I C F E E T O F G A S |                                        |                                      |                                      |                                        |                                            |
| Municipality                                                              |                                        | March 1, 1916<br>to<br>July 31, 1917 | August 1, 1917<br>to<br>May 31, 1918 | June 1, 1918<br>to<br>January 31, 1920 | February 1, 1920<br>to<br>October 31, 1921 |
| Peterborough                                                              | Domestic                               | 1.25                                 | 1.40)                                | 1.75                                   | 2.00                                       |
|                                                                           | Manufacturing                          | 1.15                                 | 1.30)                                |                                        |                                            |
| Oshawa                                                                    | Domestic                               | 1.40)                                | 1.40)                                | 1.75                                   | 2.15                                       |
|                                                                           | Cooking and Lighting                   | 1.15)                                | 1.25)                                |                                        |                                            |
|                                                                           | Manufacturers                          | 1.00)                                |                                      |                                        |                                            |
|                                                                           | Prepay Meters                          | 1.25)                                |                                      |                                        |                                            |
| Cobourg                                                                   |                                        | 1.25                                 | 1.50                                 | 2.00                                   | 2.50                                       |
| Napanee                                                                   |                                        | 1.25                                 | 1.50                                 | 2.00                                   | 2.50                                       |







CENTRAL ONTARIO SYSTEMEXCERPTS FROM AGREEMENT DATED MARCH  
10, 1916, ENTERED INTO BETWEEN THE  
PROVINCE OF ONTARIO AND THE ELECTRIC  
POWER COMPANY LIMITED

Whereas the vendor owns or controls the capital stock of the following companies carrying on business in the Province of Ontario as follows:

1. Auburn Power Company, Limited
2. Central Ontario Power Company, Limited
3. City Gas Company of Oshawa, Limited
4. Cobourg Utilities Corporation, Limited
5. Cobourg Water and Electric Company
6. Cobourg Gas, Light & Water Company
7. Eastern Power Company
8. Light, Heat & Power Company of Lindsay
9. Napanee Gas Company, Limited
10. Napanee Water & Electric Company
11. Nipissing Power Company, Limited
12. Northumberland Pulp Company, Limited
13. Oshawa Electric Light Company
14. Otonabee Power Company, Limited
15. North Bay Light, Heat & Power Company
16. Peterborough Light & Power Company
17. Peterborough Radial Railway Company
18. Port Hope Electric Light & Power Company
19. Seymour Power & Electric Company, Limited
20. Sidney Electric Power Company, Limited
21. Trenton Electric & Water Company, Limited
22. Tweed Electric Light & Power Company, Limited

And whereas the vendor has agreed to sell and the purchaser has agreed to purchase, all the assets and undertakings of the said companies of every kind and nature excepting such assets, as are hereinafter specifically excepted, for the consideration hereinafter mentioned.

Now this agreement witnesseth as follows:

1. The vendor shall sell and the purchaser shall purchase as they existed on the first day of March, 1916, all the assets and undertakings of every kind and nature whatsoever of the vendor of the said companies as follows:

1. All freehold and leasehold lands, tenements and hereditaments of the said company
2. All plant, machinery, and furniture, licenses, franchises, stock-in-trade, stores and all other chattels to which the said companies or any of them are or is entitled in connection with the businesses carried on by them respectively







3. All pending contracts and engagements of the said companies or any of them in connection with any business so carried on
4. All other property to which the said companies or any of them are or is entitled except, however, all cash and all bills and notes and all book and other debts due to the vendor or to any of the said companies.

II. The consideration for the sale shall be the sum of \$8,350,000, which, shall be paid and satisfied by the issue and delivery to the vendor of Ontario Government Debentures bearing date March 1, 1916 and payable March 1, 1926, and bearing interest at the rate of 4% and payable half-yearly in Toronto, New York and London.

IV. The purchaser agrees to assume all contracts and engagements of the vendor or any of the said companies and to indemnify them against any claims in respect thereof which arise hereafter.

VI. From and after the first day of March 1916, the vendor and the said companies shall carry on the respective businesses and maintain the same as going concerns, but they shall from the said date be deemed to be carrying on such businesses on behalf of the purchaser, and shall account and be entitled to be indemnified accordingly and all income and receipts shall be adjusted and divided as of the first day of March 1916.







CENTRAL ONTARIO SYSTEM

EXCERPTS FROM AGREEMENT DATED DECEMBER 15,  
1910, ENTERED INTO BETWEEN THE SEYMOUR  
POWER and ELECTRIC COMPANY, LIMITED and  
THE MUNICIPAL CORPORATION OF THE TOWN OF  
PORT HOPE AND ASSUMED BY THE PROVINCE OF  
ONTARIO IN CONNECTION WITH THE ACQUISITION  
OF THE CENTRAL ONTARIO SYSTEM

Whereas the Company has applied to the Corporation for permission to construct, maintain and operate transmission lines with the necessary appliances and structures, in, over, under, along, across and upon such of the streets and highways in the said Corporation as may be necessary or required by the Company for the transmission of electricity for supplying light, heat and power to the said Corporation and the inhabitants thereof.

And whereas, the said Corporation is at present without an ample supply of hydro electric energy and it is deemed advisable to grant the permission requested in order to provide for an abundant supply of electric energy for the use of the Corporation and the inhabitants thereof subject however to the terms herein set forth.

Now therefore this agreement witnesseth that in consideration of the premises and of the mutual covenants and agreements herein contained, and of the sum of one dollar now paid by each of the parties hereto, one to the other, the receipts whereof are hereby respectively acknowledged, the said Corporation and the Company do hereby mutually covenant and agree each with the other as follows:

1. That wherever used throughout this agreement "The Corporation" and "The Company" shall be deemed to extend and apply to the successors and assigns of the parties hereto respectively.

2. It shall be lawful for the Company and the Company is hereby given the privilege, right and authority for a period of thirty years from the date hereof, to construct, equip, maintain and operate and from time to time renew, alter and repair transmission and distribution lines, with all the necessary appliances and structures, with wires and cables to be strung thereon, in, upon, over, across, under and along all or such of the streets, roads, highways and public places of the said Town of Port Hope as the Company may find necessary to use for the transmission and distribution of electricity for light, heat and power in the said Town.

3. The rights and privileges hereby conferred shall be used and enjoyed by the said Company for thirty years from the date hereof, provided, however, that the said Corporation on giving three months' notice in writing of their intention may on and after the expiry of fifteen years from the date of this agreement, but not sooner, purchase such portion of the buildings, works, plant, transmission and distribution lines and equipment generally of the Company







in the said Corporation as is used for furnishing electric energy for public and private lighting and heating and municipal service in the said Corporation, at a price or valuation as a going concern, to be fixed by arbitration in the manner provided for in clause 16 of this agreement. In considering such value, however, no sum is to be allowed for any goodwill or franchise of the business.

4. Provided, however, that nothing herein contained shall be deemed to make this agreement an exclusive franchise.

5. The Company further covenants and agrees that the maximum charge for electric energy supplied under contract for power to customers in the said Corporation shall not exceed \$25.00 per annum per horse power, for a 24 hour service or, at the option of the purchaser, a stand-by charge of \$12.00 per horse power per annum of a connected load, plus a meter rate not to exceed one cent per horse power hour.

6. And the Company further covenants and agrees to sell electric current for the purpose of electric lighting and heating to all persons applying for the same within the limits of the Corporation, on the streets on which the Company's lines are erected, and within 250 feet therefrom, at the rate of 10 cents per K.W. hour, with a discount of 20 per cent., or, at the option of the customer, when requiring current for house lighting or heating, or both, a rate of 10 cents per room per month, plus a meter charge of 3 cents per K.W. hour, these rates to apply on all accounts paid within 10 days from date of account for the preceding month's supply.

7. The Company further agrees that if the prices charged by it for electric lighting and heating shall at the end of three years after it has commenced to distribute electric lighting in the said Corporation be unsatisfactory to the said Corporation, or the citizens thereof, that it shall upon the request of the Municipal Council of the said Corporation submit the question of rates charged to arbitration; and further, that subject to the control of the rates by the Board of Railway Commissioners for Canada, it will, on a request made in writing six months before the end of each 5 year term after the first three years of this franchise have expired, be prepared, at the request of the said Corporation, to submit the rates it is then charging to arbitration in the same manner as above set out, and further covenants and agrees that it will furnish electric lighting at the prices set by the said arbitrations, or any of them, or if appealed from by the Board of Railway Commissioners for Canada.

8.. The Company further covenants and agrees that when called upon by the Corporation it will submit prices at which it will be prepared to supply the street lighting of the said Corporation, and that in the event of the Corporation being dissatisfied with the prices submitted the parties hereto agree to submit the question of such prices to arbitration.

9. The parties hereby mutually covenant and agree that all or any disputes or differences that may arise out of any matter or thing whatsoever herein contained, or in the interpretation or construction of any part of this agreement, shall be submitted to arbitrators, one to be appointed by each of the parties, and the two so appointed to select a third, the decision of the majority of such arbitrators to be binding upon both parties.







CENTRAL ONTARIO SYSTEMEXCERPTS FROM AGREEMENT DATED SEPTEMBER 6, 1917, ENTERED INTO BETWEEN THE HYDRO-ELECTRIC POWER COMMISSION OF ONTARIO AND THE MUNICIPAL CORPORATION OF THE TOWN OF PICTON.

Whereas the Corporation, under the provisions of The Power Commission Act and amendments thereto, Revised Statutes of Ontario, Chapter 39, has applied to the Commission for a supply of power and has passed a By-law No. 265, passed the 30th day of July, 1915, to authorize the execution of the agreement thereof.

Now therefore this indenture witnesseth that in consideration of the premises and the agreement of the Corporation herein set forth, subject to the provisions of the said Act and amendments thereto, the parties hereto agree each with the other as follows:

The Commission agrees:

1. To reserve and deliver at the earliest possible date 200 horse power or more of electrical power to the Corporation.
2. At the expiration of reasonable notice in writing, which may be given by the Corporation from time to time during the continuance of this agreement, to reserve and deliver to the Corporation additional electric power when called for.

The Corporation agrees:

1. To pay in twelve equal monthly payments interest upon its proportionate part, "based on the quantity of electrical energy or power taken", of all monies expended by the Commission on capital account for the acquiring of property and rights, the acquiring and construction of generating stations, transformer stations, transmission lines, distributing stations and other works necessary for the delivery of such electrical energy or power to the Corporation under the terms of this contract.
2. To pay an annual sum for its proportionate part of all monies expended by the Commission on capital account for the acquiring of the said properties and rights and the cost of the said construction, so as to form in thirty years a sinking fund for the retirement of securities issued by the Province of Ontario; also to bear its proportionate part of the cost to operate, maintain, renew and insure the said generating plants, transformer stations, transmission lines, distributing stations and other necessary works.
3. Bills shall be rendered by the Commission on or before the 5th day and paid by the Corporation on or before the 15th day of each month. All payments in arrears shall bear interest at the legal rate.
4. To take electric power exclusively from the Commission during the continuance of this agreement.







5. To pay for three-fourths of the power ordered from time to time by the Corporation and held in reserve for it, as herein provided, whether it takes the same or not. When the highest average amount of power taken for any twenty consecutive minutes during any month exceeds during the twenty consecutive minutes three-fourths of the amount ordered by the Corporation and held in reserve, then the Corporation shall pay for this greater amount during the entire month. If the Corporation during any month takes more than the amount of power ordered and held in reserve for it, as determined by an integrated peak or the highest average for a period of twenty consecutive minutes, such excess shall thereafter constitute an obligation on the part of the Corporation to pay for and on the part of the Commission to hold in reserve such increased quantities of power, in accordance with the terms and conditions of this agreement.

When the power factor of the highest average amount of power taken for any twenty consecutive minutes falls below 90 per cent., the Corporation shall pay for 90 per cent. of the kilovolt amperes, provided that the said 90 per cent. of said kilovolt amperes is greater than the maximum kilowatts for any twenty minute period during the month..

6. This agreement shall remain in force thirty years from the date of the first delivery of power under this contract.

7. The Commission shall at least annually adjust and apportion the amount or amounts payable by the Municipal Corporation or Corporations for such power and such interest, sinking fund, cost of lost power and cost of generating, operating, maintaining, repairing and renewing said works.

It is hereby declared that the Commission is to be a trustee of all property held by the Commission under this agreement for the Corporation and other Municipal Corporations supplied by the Commission, but the Commission shall be entitled to a lien upon said property for all monies expended by the Commission under this agreement and not repaid. At the expiration of this agreement the Commission shall determine and adjust the rights of the Corporation and other Municipal Corporations supplied by the Commission, having regard to the amount paid by them respectively under the terms of this agreement, and such other considerations as may appear equitable to the Commission and are approved by the Lieutenant-Governor-in-Council.

If at any time any other Municipal Corporation or, pursuant to said Act, any railway or distributing company, or any other Corporation or person applies to the Commission for a supply of power, the Commission shall notify the applicant and the Corporation of a time and place and hear all representations that may be made as to the terms and conditions for such supply.

In determining the quantity of power supplied to a Municipal Corporation, the quantity supplied by the Commission within the limits of the Corporation, to any applicant other than the Municipal Corporation, shall be computed as part of the quantity supplied to such Corporation, but such Corporation shall not be liable for payment for any portion of the power so supplied. No power shall be supplied by the Municipal Corporation to any railway or distributing company without the written consent of the Commission, but the Corporation may sell power to any person or persons, or manufacturing







CENTRAL ONTARIO SYSTEM

companies within the limits of the Corporation, but such power shall not be sold for less than cost, neither shall there be any discrimination as regards price and quantity.

THE MUNICIPAL CORPORATION OF THE CITY OF KINGSTON,

If differences arise between Corporations to which the Commission is supplying power the Commission may upon application fix a time and place and hear all representations that may be made by the parties, and the Commission shall in summary manner, when possible, adjust such differences and such adjustment shall be final. The Commission shall have all the powers that may be conferred upon a Commissioner appointed under the Act respecting inquiries concerning public matters.

And whereas the Corporation has applied to the Commission for a supply of electrical power or energy.

And whereas the Commission is in possession of, and operating in trust for the Ontario Government, the power developments known as the Central Ontario System and can supply therefrom electrical energy sufficient for the needs of the Corporation.

And whereas the objects of the Corporation enunciated in laws authorizing the Corporation to enter into a contract with the Commission for such power.

Now therefore this indenture witnesseth:

That in consideration of the premises and of the agreements of the parties hereto each agree with the other as follows:

The Commission agrees:

1. To reserve for and deliver to the Corporation 1200 or more horse power of electrical power or energy.

2. To reserve and deliver to the Corporation additional electrical power at the expiration of reasonable notice in writing, which may be given by the Corporation from time to time during the continuance of this agreement.

The Corporation agrees:

1. To pay to the Commission for all power taken or held in reserve in monthly payments under the following schedule of rates:

For 1200 horse power and up to 2500 horse power at the rate of \$28.00 per horse power per annum.

When the amount of power taken and held in reserve for the Corporation increases to 2500 horse power, the rate for all power shall be \$27.00 per horse power per annum, and

When the said power increases to 3000 horse power the rate for all power shall be \$26.00 per horse power per annum.







CENTRAL ONTARIO SYSTEM

EXCERPTS FROM AGREEMENT DATED SEPTEMBER  
4, 1916, ENTERED INTO BETWEEN THE HYDRO-  
ELECTRIC POWER COMMISSION OF ONTARIO AND  
THE MUNICIPAL CORPORATION OF THE CITY  
OF KINGSTON.

Whereas by the Power Commission Act, passed by the Legislature of the Province of Ontario, Revised Statutes of Ontario 1914, Chapter 39 and amendments thereto, it was amongst other things enacted, that any Municipal Corporation might apply to the Hydro-Electric Power Commission of Ontario for the transmission to such corporation of electrical power and energy for the use of the Corporation and the inhabitants thereof, for lighting, heating and power purposes.

And whereas the Corporation has applied to the Commission for a supply of electrical power or energy.

And whereas the Commission is in possession of, and operating in trust for the Ontario Government, the power developments known as the Central Ontario System and can supply therefrom electrical energy sufficient for the needs of the Corporation.

And whereas the electors of the Corporation assented to By-laws authorizing the Corporation to enter into a contract with the Commission for such power.

Now therefore this indenture witnesseth:

That in consideration of the premises and of the agreements of the parties hereto each agree with the other as follows:

The Commission agrees:

1. To reserve for and deliver to the Corporation 1200 or more horse power of electrical power or energy.
2. To reserve and deliver to the Corporation additional electrical power at the expiration of reasonable notice in writing, which may be given by the Corporation from time to time during the continuance of this agreement.

The Corporation agrees:

1. To pay to the Commission for all power taken or held in reserve in monthly payments under the following schedule of rates:

For 1200 horse power and up to 2500 horse power at the rate of \$28.00 per horse power per annum.

When the amount of power taken and held in reserve for the Corporation increases to 2500 horse power, the rate for all power shall be \$27.00 per horse power per annum, and

When the said power increases to 3000 horse power the rate for all power shall be \$26.00 per horse power per annum.



CENTRAL ONTARIO SYSTEM

EXCERPTS FROM AGREEMENT DATED SEPTEMBER 4, 1914, ENTERED INTO BETWEEN THE HYDRO-ELECTRIC POWER COMMISSION OF ONTARIO AND THE MUNICIPAL CORPORATION OF THE CITY OF KINGSTON.

Whereas by the Power Commission Act, passed by the Legislature of the Province of Ontario, Revised Statutes of Ontario 1914, Chapter 39 and amendments thereto, it was amongst other things enacted that any Municipal Corporation might apply to the Hydro-Electric Power Commission of Ontario for the transmission to such corporation of electrical power and energy for the use of the Corporation and the inhabitants thereof, for lighting, heating and power purposes.

And whereas the Corporation has applied to the Commission for a supply of electrical power or energy.

And whereas the Commission is in possession of, and operating in trust for the Ontario Government, the power developments known as the Central Ontario System and can supply therefrom electrical energy sufficient for the needs of the Corporation.

And whereas the electors of the Corporation assented to laws authorizing the Corporation to enter into a contract with the Commission for such power.

Now therefore this indenture witnesseth:

That in consideration of the premises and of the agreements of the parties hereto each agree with the other as follows:

The Commission agrees:

1. To reserve for and deliver to the Corporation 1200 or more horse power of electrical power or energy.
2. To reserve and deliver to the Corporation additional electrical power at the expiration of reasonable notice in writing, which may be given by the Corporation from time to time during the continuance of this agreement.

The Corporation agrees:

1. To pay to the Commission for all power taken or held in reserve in monthly payments under the following schedule of rates:  
For 1200 horse power and up to 2500 horse power at the rate of \$28.00 per horse power per annum.  
When the amount of power taken and held in reserve for the Corporation increases to 2500 horse power, the rate for all power shall be \$27.00 per horse power per annum, and  
When the said power increases to 3000 horse power the rate for all power shall be \$26.00 per horse power per annum.



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When the said power increases to 3500 horse power the rate for all power shall be \$25.00 per horse power per annum.

When the said power increases to 4000 horse power the rate for all power shall be \$24.00 per horse power per annum.

Each month's payments are to be made as though the maximum amount taken during that month was taken for the whole month.

2. If the Corporation during any month takes more than the amount of power ordered and held in reserve for it for twenty consecutive minutes the taking of such excess power shall thereafter constitute an obligation on the part of the Corporation to pay for and on the part of the Commission, as long as this greater amount does not exceed the maximum hereunder, to hold in reserve such increased quantity of power in accordance with the terms and conditions of this agreement.

3. To pay each month to the Commission as a minimum for 75 per cent of the power held in reserve for the Corporation at the rate fixed herein.

Bills shall be rendered by the Commission to the Corporation on or before the tenth day and paid by the Corporation on or before the 20th day of each calendar month. All payments in arrears shall bear interest at the legal rate.

The greatest average or integrated power demand made by the Corporation for 20 consecutive minutes in any month, as shown by the aforementioned instruments, shall be used as a basis of billing and paying for the power taken by the Corporation.

It is mutually agreed that this agreement, shall be binding upon both parties hereto for a period of twenty years, beginning on the day and date when power is first taken hereunder, and this agreement may be extended for a further term of five years upon the mutual agreement of both parties hereto before three months of the expiration of this agreement, or any extension or renewal period.

given by the Corporation from time to time during the continuance of this agreement, to receive and deliver to the Corporation additional electric power as may be required from time to time.

2. To supply and construct all 2200, 4000 or other lines at primary voltage, made necessary by contracts for electric service made between the Corporation and residents or users within the Township, from the Commission's transformer station or stations to the service transformers of the Corporation located at such points as the Commission may approve.

The Corporation agrees:

1. To pay to the Commission monthly, for all power taken, the cost of the power delivered to the Commission, plus the charges in connection with the delivery of the power to the Municipality,



When the said power increases to 3500 horse power the rate for all power shall be \$25.00 per horse power per annum.  
When the said power increases to 4000 horse power the rate for all power shall be \$24.00 per horse power per annum.

Each month's payments are to be made as though the maximum amount taken during that month was taken for the whole month.

2. If the Corporation during any month takes more than the amount of power ordered and held in reserve for it for twenty consecutive minutes the taking of such excess power shall thereafter constitute an obligation on the part of the Corporation to pay for and on the part of the Commission, as long as this greater amount does not exceed the maximum hereunder, to hold in reserve such increased quantity of power in accordance with the terms and conditions of this agreement.

3. To pay each month to the Commission as a minimum for 75 per cent of the power held in reserve for the Corporation at the rate fixed herein.

Bills shall be rendered by the Commission to the Corporation on or before the tenth day and paid by the Corporation on or before the 25th day of each calendar month. All payments in arrears shall bear interest at the legal rate.

The greatest average or integrated power demand made by the Corporation for 20 consecutive minutes in any month, as shown by the aforementioned instruments, shall be used as a basis of billing and paying for the power taken by the Corporation.

It is mutually agreed that this agreement, shall be binding upon both parties hereto for a period of twenty years, beginning on the day and date when power is first taken hereunder, and this agreement may be extended for a further term of five years upon the mutual agreement of both parties hereto before three months of the expiration of this agreement, or any extension or renewal period.



CENTRAL ONTARIO SYSTEMEXCERPTS FROM AGREEMENT ENTERED INTO BETWEEN  
THE HYDRO-ELECTRIC POWER COMMISSION OF ONTARIO  
AND THE MUNICIPAL CORPORATION OF THE TOWNSHIP  
OF EAST WHITBY, UNDER DATE OF SEPTEMBER 27, 1917.

Whereas pursuant to an Act to provide for the transmission of electrical power to Municipalities, the Corporation applied to the Commission for a supply of power.

And whereas the Corporation under the provisions of the Power Commission Act and amendments thereto and the Power Commission Act Revised Statutes of Ontario 1914, Chapter 39, part 2 being "An Act to Provide for a supply of Electrical Energy or Power to Individual Users" and the Central Ontario Power Act 1916, 6 George 5th, Chapter 18, has, at the request of a number of ratepayers (petitioners) applied to the Commission for a supply of electrical power or energy and has passed a By-law No. 826 to authorize the execution of an agreement therefor.

And whereas the Commission has entered into contracts with Power Companies for such power, or has acquired or constructed generating plants, transformer stations, transmission lines, distributing stations and other works necessary for the delivery of electrical energy or power to Municipalities.

Now, therefore, this indenture witnesseth that in consideration of the premises and of the agreement herein set forth, subject to the provisions of the said Act and amendments thereto, the parties hereto agree each with the other, as follows:

The Commission agrees:

1. To reserve and deliver at the earliest possible date electrical power to the Corporation as required by the Corporation. At the expiration of thirty days' notice in writing, which may be given by the Corporation from time to time during the continuance of this agreement, to reserve and deliver to the Corporation additional electric power as may be required from time to time.

2. To supply and construct all 2200, 4000 or other lines at primary voltage, made necessary by contracts for electric service made between the Corporation and residents or users within the Township, from the Commission's transformer station or stations to the service transformers of the Corporation located at such points as the Commission may approve.

The Corporation agrees:

1. To pay to the Commission monthly, for all power taken, the cost of the power delivered to the Commission, plus the charges in connection with the delivery of the power to the Municipality,







2. To pay annually in twelve monthly instalments interest on its proportionate part of the monies expended by the Commission on capital account, for the acquiring of properties and rights and acquiring and constructing generating plants, transformer stations, transmission lines, distributing stations and other necessary works for the delivery of power to the Corporation; to pay an annual sum for its proportionate part of all monies expended by the Commission on capital account for the acquiring of the said properties and rights and the cost of the said construction, so as to form in thirty years a sinking fund for the retirement of securities issued by the Province of Ontario, and to bear its proportionate part of the line loss, and to pay its proportionate part of the cost to operate, maintain, repair, renew and insure the said lines, generator, transformer stations and works.

3. In addition to the cost of power and the cost of delivering it to the Corporation, to pay to the Commission in half-yearly instalments interest and sinking fund on a 30 year basis on all capital invested by the Commission in 2200, 4000 or other lines of primary voltage, as provided for in paragraph 1, and to maintain, repair, renew and operate the said lines and set aside a depreciation fund at the rate of 5 per cent. per annum on all capital expended by the Commission on such construction.

4. Bills shall be rendered by the Commission on or before the 5th and paid by the Corporation on or before the 15th of each month. All payments in arrear shall bear interest at the legal rate.

5. To take power exclusively from the Commission during the continuance of this agreement.

6. To pay for three-fourths of the power ordered from time to time by the Corporation and held in reserve for it whether it takes the same or not.

When the greatest average amount of power taken for any 20 consecutive minutes during any month shall exceed during the 20 consecutive minutes three-fourths of the amount ordered by the Corporation and held in reserve, the Corporation shall pay for this greater amount during the entire month.

7. If the Corporation during any month takes more than the amount of power ordered and held in reserve for it, as determined by an integrated peak or highest average for a period of twenty consecutive minutes, the Corporation shall pay for this greater amount of power during the entire month. The taking of such excess shall thereafter constitute an obligation on the part of the Corporation to pay for and on the part of the Commission to hold in reserve an additional block of power, in accordance with the terms and conditions of this contract.

When the power factor of the greatest amount of power taken for said twenty consecutive minutes falls below 90 per cent., the Corporation shall pay for 90 per cent. of said power divided by the power factor.

8. This agreement shall remain in force for thirty years from the date of the first delivery of power under this contract.







9. The Commission shall at least annually adjust and apportion the amounts payable by the Municipal Corporations for such power and such interest, sinking fund, line loss and cost of operating, maintaining, repairing, renewing and insuring the line and works.

10. It is hereby declared that the Commission is to be a Trustee of all property held by the Commission under this agreement for the Corporation and other Municipal Corporations supplied by the Commission, but the Commission shall be entitled to a lien upon said property for all monies expended by the Commission under this agreement and not repaid. At the expiration of this agreement the Commission shall determine and adjust the rights of the Corporation and other Municipal Corporations supplied by the Commission, having regard to the amounts paid by them respectively under the terms of this agreement, and such other considerations as may appear equitable to the Commission and are approved by the Lieutenant-Governor-in-Council.

11. If at any time any other Municipal Corporation or, pursuant to said Act, any railway or distributing company, or any other Corporation or person, applies to the Commission for a supply of power, the Commission shall notify the applicant and the Corporation in writing of the time and place and hear all representations that may be made as to the terms and conditions for such supply.

Without discrimination in favor of the applicants as to the price to be paid for equal quantities of power the Commission may supply the power upon such terms and conditions as may, having regard to the risk and expenses incurred and paid and to be paid by the Corporation appear equitable to the Commission and are approved by the Lieutenant-Governor-in-Council.

12. If differences arise between the Corporations to whom the Commission is supplying power the Commission may upon application fix a time and place to hear all representations that may be made by the parties, and the Commission shall in a summary manner, when possible, adjust such differences and such adjustment shall be final.







CENTRAL ONTARIO SYSTEM

EXCERPTS FROM AGREEMENT ENTERED INTO  
BETWEEN THE HYDRO-ELECTRIC POWER COM-  
MISSION OF ONTARIO AND THE ONTARIO  
ROCK COMPANY, LIMITED, UNDER DATE  
OF JANUARY 3, 1920.

Whereas the Commission acting under the Power Commission Act R. S. O. 1914, Chapter 34, has available sufficient electrical power or energy for the purpose of this agreement.

And whereas the Customer has applied to the Commission for a supply of electrical power or energy.

And whereas the Customer is operating a quarry in Lot Seven, Concession Six in the Township of Belmont, Province of Ontario with head office at Toronto, Ontario.

Now therefore this indenture witnesseth that in consideration of the premises and of the agreements of the parties hereto each agrees with the other as follows:

The Commission agrees:

1. To reserve for and deliver to the Customer 300 horse power of electrical power or energy, beginning on the first day of June, 1920, and extending for the period of this agreement.

2. To reserve for and deliver to the Customer additional horse power in blocks of 50 horse power each, after the expiration of thirty days' notice in writing, up to a maximum of 500 horse power.

The Customer agrees:

1. To pay to the Commission for all power used or held in reserve, in monthly payments in gold coin, at the Toronto Office, under the following schedule of rates:

Thirty-one dollars (\$31.00) per horse power per annum, payable monthly at the rate of \$2.59 per horse power per month, and each month's payments to be made as though the maximum amount taken during that month had been taken for the whole month.

The amount of power taken or held in reserve under this agreement shall be taken as a maximum average amount of power taken for any ten consecutive minutes, as shown by meter.

2. To take power exclusively from the Commission for the term of this agreement and not to sell or dispose of said power, or any part thereof, directly or indirectly without written consent of the Commission.







3. If the Customer during any month takes more than the amount of power ordered and held in reserve for him for ten consecutive minutes, the taking of such excess power shall thereafter constitute an obligation on the part of the Customer to pay for and on the part of the Commission, as long as this greater amount does not exceed the maximum hereunder, to hold in reserve such increased quantity of power, in accordance with the terms and conditions of this agreement.

4. To pay each month to the Commission as a minimum for 75 per cent. of the power held in reserve for the Customer.

5. Bills shall be rendered by the Commission to the Customer on or before the 5th day and paid by the customer on or before the 15th day of each calendar month. All payments in arrears shall bear interest at the legal rate.

It is mutually agreed by the parties hereto:

1. That in case any dispute arises between the parties hereto, relative to the fulfilment of any promise provisos or conditions of this agreement, or as to the method or accuracy of the measurement of power, or any other question which may arise under this agreement, the same shall be promptly referred to arbitration under the Arbitration Act, and the finding of such arbitrator or arbitrators shall be final and binding upon both parties hereto.

2. This agreement shall be binding upon the parties hereto for a period of ten years, beginning on the day and date when power is first taken hereunder, and this agreement will be construed as being automatically renewed from year to year thereafter, unless notice of cancellation is given by either party hereto to the other one month before the expiration of the first term, or any succeeding yearly period.

3. The agreement shall extend to and be binding upon and enure to the benefit of the successors and assigns of the parties hereto.

4. To deliver to the Cement Company at each sub-station 1500 horse power additional, or such portion thereof as the Cement Company may require from March 1, 1911 to March 1, 1925.

5. To deliver on nine months' written notice, given any time prior to March 1, 1912 to the Cement Company, at each sub-station or at other sub-stations to be constructed adjacent to the points upon the Company's property where the same is to be utilized, 2000 horse power additional up to 6000 horse power in all, or such portion thereof as the Cement Company may require from the date of the expiration of such notice to March 1, 1925.

6. To deliver to the Cement Company upon thirty days' notice, at such sub-stations, or any of them, any additional power required by the Cement Company and then unused by the Power Company, the said Company to have a prior right to have delivered under any notice any power there may then be, or which may thereafter come within the control of the Power Company, either by the lapse of any other contract or by the development of additional power by the Power Company, until the







CENTRAL ONTARIO SYSTEM

EXCERPTS FROM AGREEMENT DATED FEBRUARY 23, 1910, ENTERED INTO BETWEEN CANADA CEMENT COMPANY, LIMITED, (HEREINAFTER CALLED "THE CEMENT COMPANY") and AEMELIUS JARVIS (HEREINAFTER CALLED "THE POWER COMPANY") ASSUMED BY THE PROVINCE OF ONTARIO IN CONNECTION WITH THE ACQUISITION OF THE CENTRAL ONTARIO SYSTEM.

Whereas the Power Company is desirous of selling electric power for operating the mills of the Cement Company near Belleville, Ontario.

And whereas the Cement Company has agreed to purchase electric power from the Power Company, subject to and upon the terms and conditions hereinafter set forth.

Now this agreement witnesseth that the parties hereto mutually covenant, promise and agree as follows:

The Power Company agrees:

1. To construct permanent duplicate transmission lines and necessary sub-stations on the property of the Cement Company near Belleville, and on the rights-of-way of the Railways controlled by Cement Company over such routes and on locations as are approved by the Cement Company.
2. To deliver to the Cement Company at such sub-station 2500 horse power, or such portion thereof as may at any time be required by the Cement Company on three months' notice, but so that it shall be between the first day of September, 1910, and the first day of March, 1911.
3. To deliver to the Cement Company at such sub-stations 1500 horse power additional, or such portion thereof as the Cement Company may require from March 1, 1911 to March 1, 1925.
4. To deliver on nine months' written notice, given any time prior to March 1, 1915 to the Cement Company, at such sub-stations or at other sub-stations to be constructed adjacent to the points upon the Company's property where the same is to be utilized, 2000 horse power additional up to 6000 horse power in all, or such portion thereof as the Cement Company may require from the date of the expiration of such notice to March 1, 1925.
5. To deliver to the Cement Company upon thirty days' notice, at such sub-stations, or any of them, any additional power required by the Cement Company and then unsold by the Power Company, the said Company to have a prior right to have delivered under such notice any power there may then be, or which may thereafter come within the control of the Power Company, either by the lapse of any other contract or by the development of additional power by the Power Company, until the







requirements of the Cement Company, in accordance with such notice, have been fully complied with. If new machinery be required to generate any additional power above the maximum provided for under this agreement, then six months' notice thereof in writing shall be given by the Cement Company to the Power Company, and the Power Company shall within fifteen days after receipt of such notice notify the Cement Company in writing, agreeing or refusing to supply such power.

6. Where interruptions or diminutions in the supply of power occur the Power Company shall credit to the Cement Company an amount equal to twice the sum which would be payable by the Cement Company for the power of which they have been deprived during the time of such interruption.

7. If power is supplied from more than one sub-station the Power Company to render accounts separately for each of the said sub-stations, based on the records of the recording instruments installed therein.

8. To render these accounts to the Cement Company within the first three days of each calendar month for the power furnished during the preceding calendar month.

The Cement Company agrees:

1. To pay to the Power Company for the power to be delivered, as follows:-

A stand-by charge of \$6.00 per horse power per annum to be paid at the rate of 50 cents per horse power per month, and the number of horse power to be determined by taking the average of the four highest fifteen minute peaks recorded throughout the month.

In the event of the Mills not being operated to their full capacity at any time during any calendar month, the stand-by charge to be paid during such period shall be the same as the average paid by the Cement Company for the last preceding period of three months during which Mills were operated to full capacity.

2. A charge for power used as recorded by the said recording instruments to be paid at a rate of 98 cents per horse power per month, the number of horse power to be paid for being the average load carried throughout the month; the Company guarantees that the load factor, that is, the ratio of the average load to the average of the four highest fifteen minute peaks recorded throughout the month, shall not be less than 80% of gross called for. If the load factor for any month shall be less than 80 per cent. that payment for that month shall be made on 80% of the average of the said four highest 15 minute peaks.

3. To make payment at the Toronto office of the Power Company on the 15th day of the month following the end of each calendar month for the power supplied during the preceding calendar month.

4. Not to resell to other parties any of the power to be supplied under this contract, save and except such power as may be supplied by the Cement Company on its premises to contractors or others doing work for the Cement Company.

5. To permit the Power Company to use the said transmission lines built on the Cement Company's property for delivery of power from



requirements of the Cement Company, in accordance with such notice, have been fully complied with. If new machinery be required to generate any additional power above the maximum provided for under this agreement, then six months' notice thereof in writing shall be given by the Cement Company to the Power Company, and the Power Company shall within fifteen days after receipt of such notice notify the Cement Company in writing, agreeing or refusing to supply such power.

6. Where interruptions or diminutions in the supply of power occur the Power Company shall credit to the Cement Company an amount equal to twice the sum which would be payable by the Cement Company for the power of which they have been deprived during the time of such interruption.

7. If power is supplied from more than one sub-station the Power Company to render accounts separately for each of the said sub-stations, based on the records of the recording instruments installed therein.

8. To render these accounts to the Cement Company within the first three days of each calendar month for the power furnished during the preceding calendar month.

The Cement Company agrees:

1. To pay to the Power Company for the power to be delivered, as follows:-

A stand-by charge of \$8.00 per horse power per annum to be paid at the rate of 80 cents per horse power per month, and the number of horse power to be determined by taking the average of the four highest fifteen minute peaks recorded throughout the month.

In the event of the Mills not being operated to their full capacity at any time during any calendar month, the stand-by charge to be paid during such period shall be the same as the average paid by the Cement Company for the last preceding period of three months during which the Mills were operated to full capacity.

2. A charge for power used as recorded by the said recording instruments to be paid at a rate of 90 cents per horse power per month, the number of horse power to be paid for being the average load carried throughout the month; the Company guarantees that the load factor, that is, the ratio of the average load to the average of the four highest fifteen minute peaks recorded throughout the month, shall not be less than 80% of gross called for. If the load factor for any month shall be less than 80 per cent, that payment for that month shall be made on 90% of the average of the said four highest 15 minute peaks.

3. To make payment at the Toronto office of the Power Company on the 15th day of the month following the end of each calendar month for the power supplied during the preceding calendar month.

4. Not to resell to other parties any of the power to be supplied under this contract, save and except such power as may be supplied by the Cement Company on its premises to contractors or others doing work for the Cement Company.

5. To permit the Power Company to use the said transmission lines built on the Cement Company's property for delivery of power from



the said sub-stations, and from the said transmission lines to other customers of the Power Company.

6. The Cement Company during the life of this contract shall not buy electric power for the Mills above mentioned from any other vendor if the Power Company be ready and willing to supply the same under the terms of this contract.

The parties hereby mutually agree:

1. All claims or counterclaims arising under this contract which the Cement Company may have or claim to have against the Power Company shall be made to the latter in writing before the 30th day of the month following the end of each month in which the same may have arisen, and shall be final for all claims that have arisen during that month. If any such claims shall not be allowed by the Power Company, or if any claims shall be made by the Power Company against the Cement Company, which the Cement Company shall not allow, the parties hereto agree to submit the same to a sole arbitrator, to be appointed upon notice, which may be given by either party by a Judge of the High Court of Justice of Ontario. Any such arbitration shall be conducted with all possible despatch and the award in writing of such arbitrator shall be final and binding upon the parties hereto, and there shall be no appeal therefrom either upon questions of law or of fact. The expenses of such arbitration shall be borne by the parties hereto in such proportion as may be determined by the arbitrator.

2. It is hereby further mutually agreed by and between the parties hereto that the Cement Company shall have the right to renewal of this contract, in similar terms in every respect, for a further period of fifteen years next after the expiration thereof upon giving at least twelve months' previous notice in writing of its demand therefor.







## CENTRAL ONTARIO SYSTEM

## SUMMARY OF FRANCHISES CONTROLLING THE OPERATION OF LOCAL ELECTRIC SYSTEMS

| Municipality                                                                                          | Franchise<br>Granted | Franchise<br>Expires | Municipality has option to Purchase<br>its Local Electric System on -                                 | Remarks                                                                                                                                                                                                                                 |
|-------------------------------------------------------------------------------------------------------|----------------------|----------------------|-------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Belleville                                                                                            | May 19, 1896         | No date named        | May 19, 1916 or any date thereafter during the life of the franchise                                  | -                                                                                                                                                                                                                                       |
| Bowmanville                                                                                           | December 30, 1910    | December 30, 1940    | December 30, 1930 or any date thereafter during the life of the franchise                             | -                                                                                                                                                                                                                                       |
| Brighton                                                                                              | April 1, 1911        | April 1, 1912        | No option granted                                                                                     | Expiration of franchise does not affect rates as franchise contained no rate restrictions. No subsequent agreement has been made                                                                                                        |
| Cobourg                                                                                               | October 5, 1908      | October 1, 1919      | No option granted                                                                                     | No further agreement has been made                                                                                                                                                                                                      |
| Deseronto (street lighting and power required in the operation of the municipality's pumping station) | January 9, 1911      | January 1, 1921      | No option granted                                                                                     | Municipality had right to renew agreement for two further terms of ten years each. Agreement expired January 1, 1921 through failure of municipality to give notice of its intention to renew agreement. No new agreement has been made |
| Deseronto (private consumers)                                                                         | November 24, 1910    | November 24, 1940    | At any time on or after the expiration of ten years from the date power was first supplied            | -                                                                                                                                                                                                                                       |
| Lindsay                                                                                               | September 1, 1911    | September 1, 1941    | September 1, 1921<br>September 1, 1926<br>September 1, 1931<br>September 1, 1936<br>September 1, 1941 | Option also gives municipality right to purchase Fenelon Falls power development, including water rights                                                                                                                                |
| Millbrook                                                                                             | April 3, 1911        | April 3, 1941        | April 3, 1931 or any date thereafter during the life of the franchise                                 | -                                                                                                                                                                                                                                       |
| Napanee                                                                                               | June 19, 1911        | June 19, 1941        | 1921 or any time thereafter during the life of the franchise                                          | -                                                                                                                                                                                                                                       |
| Newburgh                                                                                              | November 5, 1912     | November 5, 1942     | No option granted                                                                                     | -                                                                                                                                                                                                                                       |
| Newcastle                                                                                             | January 9, 1911      | January 9, 1941      | January 9, 1931 or any date thereafter during the life of the franchise                               | -                                                                                                                                                                                                                                       |
| Orono                                                                                                 | December 8, 1910     | December 8, 1940     | December 8, 1930 or any date thereafter during the life of the franchise                              | -                                                                                                                                                                                                                                       |
| Oshawa                                                                                                | August 27, 1912      | August 27, 1918      | No option granted                                                                                     | Municipality had option to renew the franchise for further periods of five years each. No request has been made by the Municipality for any extension or revision of the agreement                                                      |
| Port Hope                                                                                             | December 15, 1910    | December 15, 1940    | December 15, 1925 or any date thereafter during the life of the franchise                             | -                                                                                                                                                                                                                                       |







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| Municipality | Franchise<br>Granted | Franchise<br>Expires | Municipality has option to purchase<br>its Local Electric System on -   | Remarks                                                                                                                                                                                                                                                                                |
|--------------|----------------------|----------------------|-------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Trenton      | March 1, 1899        | March 1, 1924        | No option granted                                                       | Franchise gave company its successors or assigns the right to terminate the agreement upon one year's written notice and the Hydro-Electric Power Commission accordingly notified the Municipality on October 16, 1918 of its intention to terminate the franchise on October 16, 1919 |
| Tweed        | May 16, 1913         | May 16, 1923         | May 16, 1923                                                            | Municipality has option to renew agreement for a further period of ten years on the same terms                                                                                                                                                                                         |
| North Bay    | July 15, 1907        | July 15, 1932        | July 15, 1932 or at the end of each further period of twenty-five years | -                                                                                                                                                                                                                                                                                      |











